

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Comprehensive Annual Financial Report

For the Year Ended
June 30, 2013

Submitted by:

Department of Administration

Danell R. Gerchow
Chief Financial Officer

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

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Jack Strain, Jr.

Sheriff

Ex-Officio Tax Collector

St. Tammany Parish

Brian F. Trainor
Chief Deputy



Honorable Sheriff Jack Strain, Jr.
St. Tammany Parish
Covington, Louisiana

Dear Sheriff Strain:

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This Comprehensive Annual Financial Report (CAFR) is published to fulfill that requirement for the fiscal year ended June 30, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Laporte, APAC, Certified Public Accountants, have issued an unqualified ("clean") opinion on the St. Tammany Parish Sheriff's office financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the St. Tammany Parish Sheriff's Office

St. Tammany Parish, located in southeast Louisiana, is home to a magnificent collection of scenic waterways and lush forest land. The rich landscape of the 854 square miles that make up St. Tammany Parish includes an abundance of trees such as pine and oak. Our waterways include the north section of Lake Pontchartrain, the Tchefuncte River, the Pearl River and many other smaller waterways and bayous.

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Two major bridges connect St. Tammany Parish (St. Tammany) with areas south of Lake Pontchartrain. The I-10 "Twin Spans" is a major thoroughfare connecting eastern St. Tammany with Orleans Parish and other parishes south of the lake, including St. Bernard. The 24-mile Lake Pontchartrain Causeway connects western St. Tammany with neighboring Jefferson Parish.

In 2006, following Hurricane Katrina, the population of St. Tammany Parish grew significantly overnight, as thousands of south shore residents were left homeless and moved into our parish. As of July 1, 2012, the census bureau estimates St. Tammany's population to be 239,453, making it the fifth most heavily populated parish in the state.

Since 1812, the enduring goal of the St. Tammany Parish Sheriff's office has been to protect the lives and property of the parish's residents. The agency exists to serve the public by preserving, protecting and promoting the "quality of life" our residents hold so dear. Accomplishing this task is a goal we undertake with pride and in a spirit of service. It is no small feat given our parish's geographic diversity and population growth. In addition to the standard criminal patrol functions generally sufficient for more inland parishes, our agency must hire, train and equip many specialized units, including search and rescue, traffic, and air wing. These specialized units are costly in terms of both equipment and manpower, but they must be maintained for the critical, life-saving missions they serve. With our duties as primary tax collector for the entire parish, we take seriously the responsibility of distributing monies where the voters have decided they should be spent - whether on public schools, infrastructure or our own jail project.

The St. Tammany Parish Sheriff's office continues to use our resources more efficiently and effectively, despite continuing changes in the environment, as we understand strategic planning is the key to assuring that our agency is prepared for the challenges of tomorrow.

The financial challenge we face each fiscal year in creating our budget is to ensure a distribution of monetary resources which supports the overall goal of our agency. Given St. Tammany Parish's extremely low crime rate (while the attendant crime rates in neighboring jurisdictions continue to rise dramatically) there can be little doubt that we have consistently met our financial and law enforcement goals.

The St. Tammany Parish Sheriff's office provides a full range of services, including law enforcement and tax collection, including Sales Tax, Ad Valorem, Occupational License, etc.

Budget Preparation

Many sheriffs throughout the nation fall under the financial direction of a county-wide governing authority, such as a county board of commissioners or a lone County Chairperson. In Louisiana, sheriffs are financially autonomous. Our budget creation and approval process falls entirely within the control of the St. Tammany Parish Sheriff. The Sheriff approves and adopts the budget.

The budget process begins in January or February of each year, with a call for budget request submittals by the various department heads throughout the agency. These requests must be submitted to the accounting department no later than March 1st of each year. Requests for budget allocations must be justified in narrative form, regardless of the category for which the request is made.

Once these requests have been received from all departments, meetings are held (usually three full days in length) between the Sheriff; his chief deputy and deputy chiefs; the accounting staff; and the various department managers. During these meetings, each department manager must provide an oral defense of his or her requests in front of the assembled group. If cuts are to be made to a manager's request, they may be made during the manager's presentation or they may come later during final discussions between the Sheriff and the senior staff.

After final review by the Sheriff, the final budget document, along with all statutorily mandated supporting documentation (including budget message, financial statements estimates of revenue and expenditures for all accounts, statements of any fund balances, etc.) is then prepared by the Chief Financial Officer.

After preparation of the final budget document is complete, the public is invited to submit comments on the budget at a public hearing held in the sheriff's offices. At the conclusion of this public hearing, assuming no other changes are to be made to the proposed budget, the Sheriff officially adopts the budget as authorized in Louisiana Revised Statute 39:1305D. The completed budget is then made available for public inspection and is prepared for publication. The Sheriff is required to publish the budget, in the official journal of St. Tammany Parish, the St. Tammany Farmer, no later than fifteen days prior to the beginning of each fiscal year.

This annual budget serves as the foundation for the St. Tammany Parish Sheriff's office financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., patrol, investigations, etc.). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, require approval from the Chief Financial Officer or the Chief Deputy or the Sheriff, if required.

The Sheriff maintains a system of budgetary controls with the objective of ensuring spending is within the appropriated budget. The Sheriff also uses a decentralized purchasing system that uses an encumbrance accounting system as one method to accomplish budgetary control. Requisitions are entered into the accounting system by approved users. Requisitions that will cause an overrun of a department's allocated budget are rejected by the accounting system immediately and are not processed until additional funding is available. Reports can be generated by each department supervisor for tracking of their allocated budgets at any given time.

Local Economy

The economy of St. Tammany Parish is primarily residential, bringing an influx of retail and service establishments, corporate headquarters, and shopping centers. St. Tammany Parish is blessed with a low crime rate, superb school system, and first-rate medical facilities. All of those factors encourage continued growth and makes the community a destination for families and businesses. St. Tammany Parish is one of the fastest growing parishes in the State and one of the fastest growing areas in the nation. St. Tammany Parish is currently home to Chevron Gulfcoast Exploration Headquarters, Hornbeck Offshore, Pool Corporation, Zen-Noh Grain Corporation, Marine Technologies, Stirling Properties, F.A. Richard & Associates (FARA), Textron, and Smoothie King. The region's I-10 Technology Corridor is primarily based in St. Tammany Parish.

The St. Tammany Parish Sheriff's office has a significant economic presence, employing approximately 759 patrol officers, administrative professionals, and support staff.

Revenue Sources

Ad Valorem (Property Tax)

Ad valorem (Property) and sales taxes are the Sheriff's office two main sources of revenue. For fiscal 2014, ad valorem taxes for the 2013 tax year are expected to generate \$18.9M or 43% of total revenues in the General Fund. Ad valorem taxes are recorded as current revenue to the extent collected within 60 days after year-end.

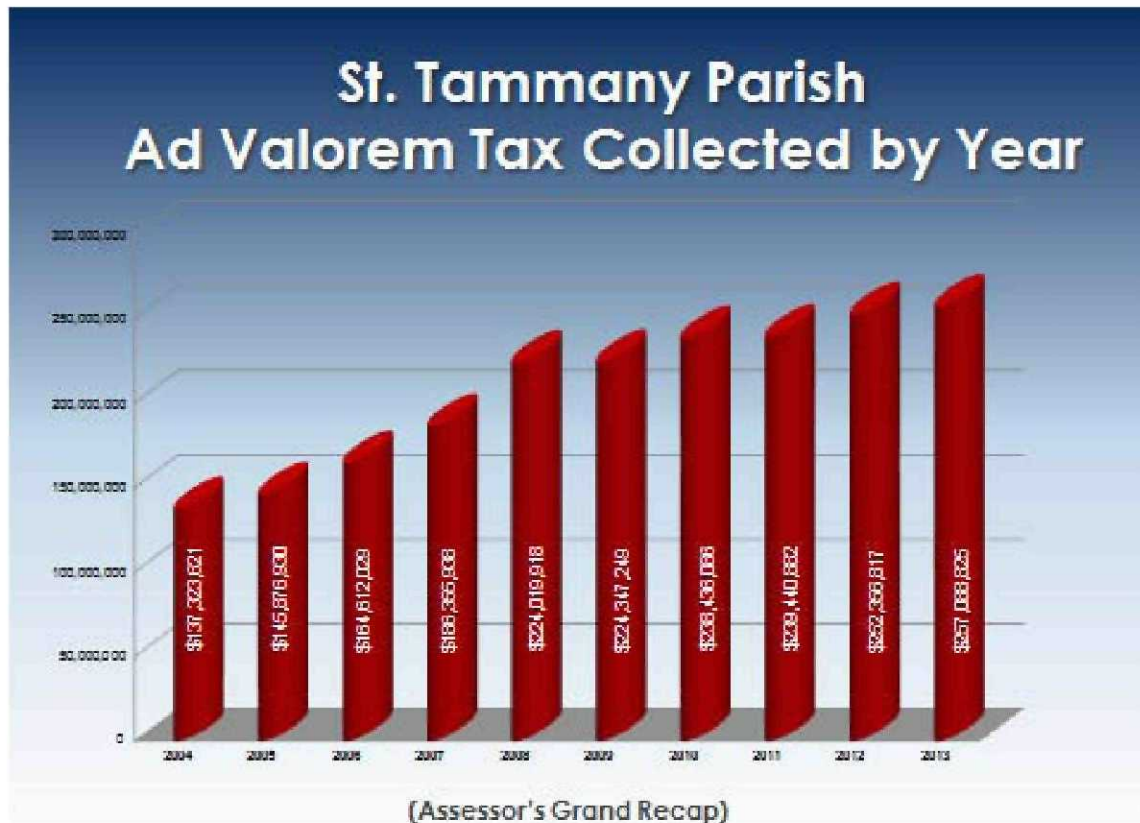
St. Tammany Parish continues to experience some level of growth in residential and commercial development. As such, ad valorem revenues are expected to show steady growth that has been seen over the past two decades.

<u>Tax Years</u>	<u>Average Annual Growth</u>
1991-2000	8.4%
2001-2010	10.9%
2011-2012	2.5%

Though the most recent decade reveals less growth in ad valorem tax revenues, it should be noted that a significant nationwide economic malaise existed at its beginning (2011 = 0%), and only one reassessment year (2012 = 5%). The reassessment cycle occurs every four years in Louisiana and historically provides the greatest growth in property values in the years in which they occur. The 2011-2020 decade will contain three reassessment years, with two more upcoming in 2016 and 2020.

There is a portion of the original ad valorem tax roll that is uncollectible each year. This occurs primarily from reductions in the roll due to property value adjustments approved via change order via the local Assessor's and Louisiana Tax Commission. There are also delinquent properties that go to tax sale which adjudicate to the St. Tammany Parish Government and await redemption at some point unknown in the future. When all are taken into consideration, the original tax roll received versus actual amounts collected yields a collection rate of approximately 97%. Removal of adjustments reveals the uncollected rate at 1% or less since the 2007 tax year.

Below is a breakdown of ad valorem taxes for the last 10 years based on the St. Tammany Parish Assessor's Grand Recap.



Sales Taxes

Sales tax revenues tend to be budgeted conservatively since their volatile nature is intrinsically tied to economic performance. Historically, sales tax revenues typically have trended upward parish-wide, mirroring the growth that St. Tammany Parish has experienced for the past few decades. This steady growth was interrupted following an uncharacteristically large increase experienced in fiscal 2006 due to significant losses of real and personal property from Hurricane Katrina. This event subsequently produced a period of declining revenues annually through fiscal 2010. Since that time, sales tax revenues have reverted back to the steady increases seen previously.

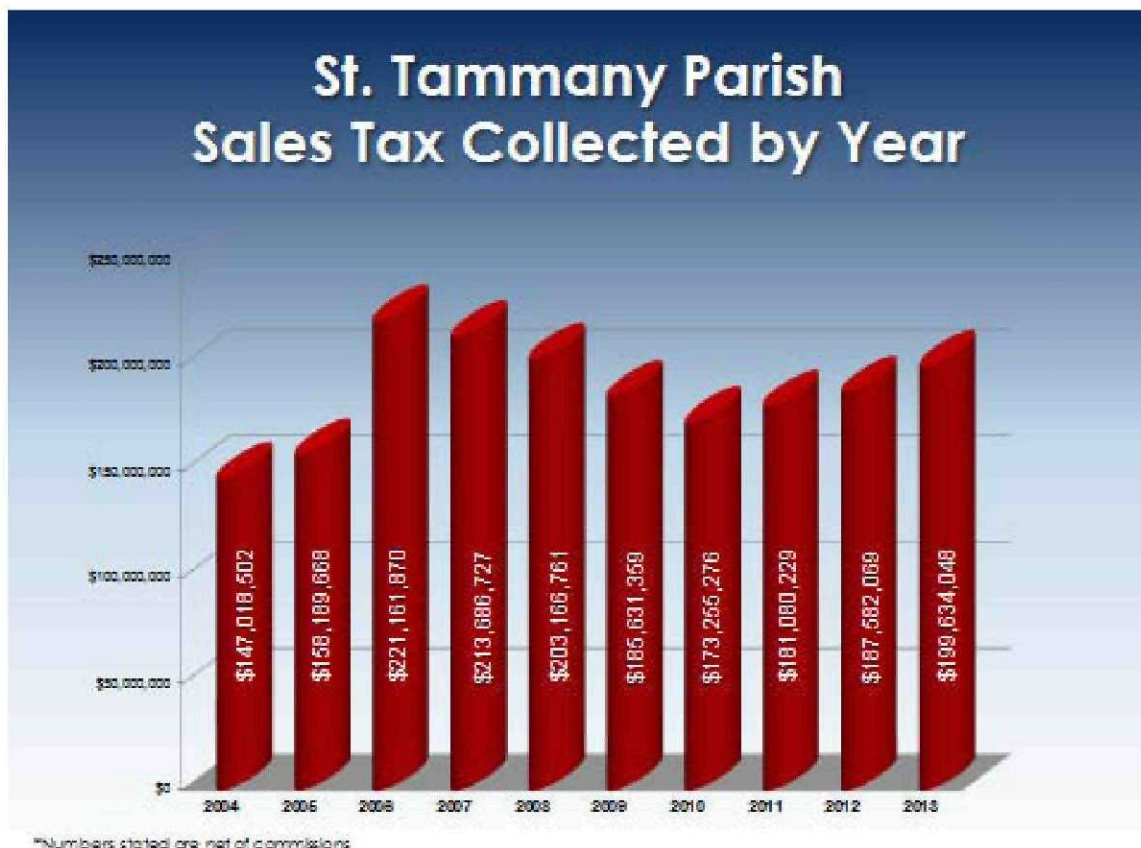
As the centralized collector of all sales taxes in St. Tammany Parish, we are aware that some individual jurisdictions have not experienced the same growth patterns in their own sales tax revenues. These differences are grounded in various factors, some of which are not economic in nature.

Many substantial construction projects have been completed in the Parish over the past few years such with the Rooms to Go Distribution Center and RTD Beverage Bottling Facility completed in 2009, Twin Span Bridges and Folgers Distribution Center Expansion completed in 2010, and Associated Wholesale Grocers completed in 2013. There also has been growth in the hospitality industry, with Country Inn & Suites and Residence Inn completed in 2009, Microtel Inn & Suites and Homewood Suites completed in 2010, Candlewood Suites in 2011, Comfort Suites completed in 2012, and a soon to be completed Wingate by Wyndham in November 2013.

Many new retail outlets have also debuted including restaurants, pharmacies, and many big box stores. Helping to drive this growth are the economic development districts of Nord Du Lac, Camellia Square, and the soon to be completed Fremaux Town Center.

Law Enforcement District sales tax revenue increased by roughly \$600,000 or 9.4% from fiscal 2012 to fiscal 2013 to a total of \$10.2 million. This performance exceeded our expectations and previous estimates. As such, we've raised our estimates for fiscal 2014, but still retain a conservative mindset by budgeting this revenue source at an even \$10 million for fiscal 2014. This proves to be a sound decision to date as the first month of sales tax collections for fiscal year 2014 reveals an increase of 9.83% compared to the first month of last fiscal year.

Below is a breakdown of sales and use taxes collected for the last 10 years.



Overview of Crime Statistics

For obvious reasons, crime greatly impacts the operations of the Sheriff's office.

There are numerous ways to measure crime and the effectiveness of the local law enforcement in a particular area; however the most universally used measuring tool is the FBI Uniform Crime Reporting, which measures the number of crimes committed in particular categories.

Despite an increasing population and an influx of new residents following Hurricane Katrina in 2005, St. Tammany Parish has enjoyed a relatively low crime rate, especially in comparison to other surrounding communities.

Major Crimes by Decade 1980's vs. Current		
	<u>1980 - 1989</u>	<u>2000 - 2009</u>
Population	110,869	233,740
Murder	97	74
Rape	218	274
Robbery	421	348
Burglary	11,819	7,339

The number of crimes being committed in most of the measured categories has actually seen a decrease over the past couple of years despite the increase in population.

The population of St. Tammany Parish has more than doubled since the 1980s; yet when comparing the crimes

reported in that decade to those reported from 2000-2009, there is a marked decrease in most of the major crimes.

When compared to the average of the five years prior, the number of major crimes reported in unincorporated St. Tammany Parish for year-to-date 2013 illustrates that the number of crimes reported is continuing to go down.

This is likely due to the work being done by the St. Tammany Parish Sheriff's office, an increase in technology available, and the cooperation and support of the residents who live here.

The St. Tammany Parish Sheriff's office also has a very high solve rate, averaging more than 50 percent of all crimes being cleared on average every year.

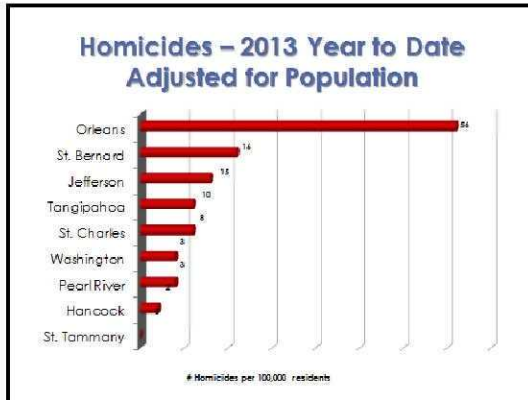
As you can see in the chart above, there have been no murders committed in unincorporated St. Tammany Parish calendar year to date for 2013. This is down from an average of 5.4 murders per year for the five years prior.

Major Crimes by Calendar Year						
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Murder	5	4	6	5	7	0
Rape	36	26	15	17	14	5
Robbery	23	27	21	20	15	18
Burglary	768	643	517	592	652	428
Auto Theft	224	164	138	144	158	128

What is not shown in this chart is the slight upswing of crime the three calendar years prior to 2008. This has been attributed to the influx of temporary residents and migrant workers that moved to the area during the rebuilding process following Hurricane Katrina.

There were 31 murders reported for the calendar years 2005-2007 and 98 rapes reported for those same three years.

St. Tammany Parish is relatively comparative in population to Orleans Parish, which has reported 56 homicides for every 100,000 people for 2013 with nearly two months left to go in the year.



The population of St. Tammany Parish is nearly twice the size of that of Tangipahoa Parish, yet the homicide rate appears to be 10 times that of St. Tammany.

St. Tammany's largest category of measured crimes committed is thefts, with 1,755 thefts and 158 auto thefts reported in calendar year 2012.

Long-Term Financial Planning and Major Initiative

A Long-range Financial Plan provides a "road map" for where the Sheriff wants to proceed financially and how he plans to get there, by combining financial forecasting with financial strategizing. The plan is intended to serve as a tool to identify problems and opportunities, and to provide the Sheriff, staff, and citizens with the insights required to address issues impacting the Sheriff's financial condition. The Sheriff's plan has a multi-year planning horizon: with three to five years for projecting current operations and capital expenditures and longer time frames for more extensive projects.

The Sheriff strives to maintain an unrestricted fund balance to provide for unanticipated expenditures of a non-recurring nature and/or to meet unexpected increases in costs. All fund designations and reserves will be reviewed annually for long-term adequacy and use requirements. Any projected insufficiencies will be addressed immediately. It is a goal to maintain a fund balance of at least 20% in the General Fund. Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General Fund at year end was 20 percent of total General Fund revenues. This amount was within the goal set by the Sheriff for budgetary and planning purposes. Over the next year we will continue to concentrate on the successful completion of the new Crime Lab within budget.

Relevant Financial Policies

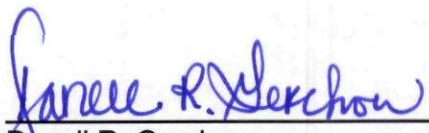
The Sheriff has established and adopted the comprehensive financial policies to balance the needs of the agency with the resources available for use. The policies set forth consistent guidelines for fiscal planning and performance, and support the Sheriff's commitment to sound financial management and fiscal stability.

These policies can be found within the notes to the financial statements on pages 54 to 83.

Acknowledgements

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Accounting Department. I wish to thank all St. Tammany Parish Sheriff's office departments for their assistance in providing the data necessary to prepare this report. I would also like to extend my gratitude for your unflinching support for maintaining the highest standards of professionalism in the management of the St. Tammany Parish Sheriff's office.

Respectfully Submitted,



Danell R. Gerchow
Chief Financial Officer

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

PRINCIPAL ELECTED AND APPOINTED OFFICIALS

Sheriff Rodney “Jack” Strain, Jr.

Chief Deputy Brian Trainor

Deputy Chief Danell Gerchow

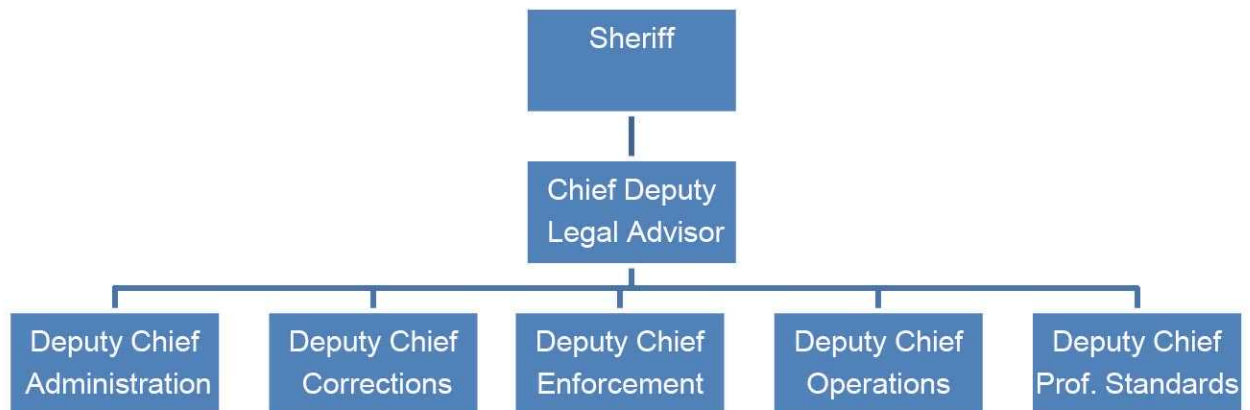
Deputy Chief Fred Oswald

Deputy Chief David Hall

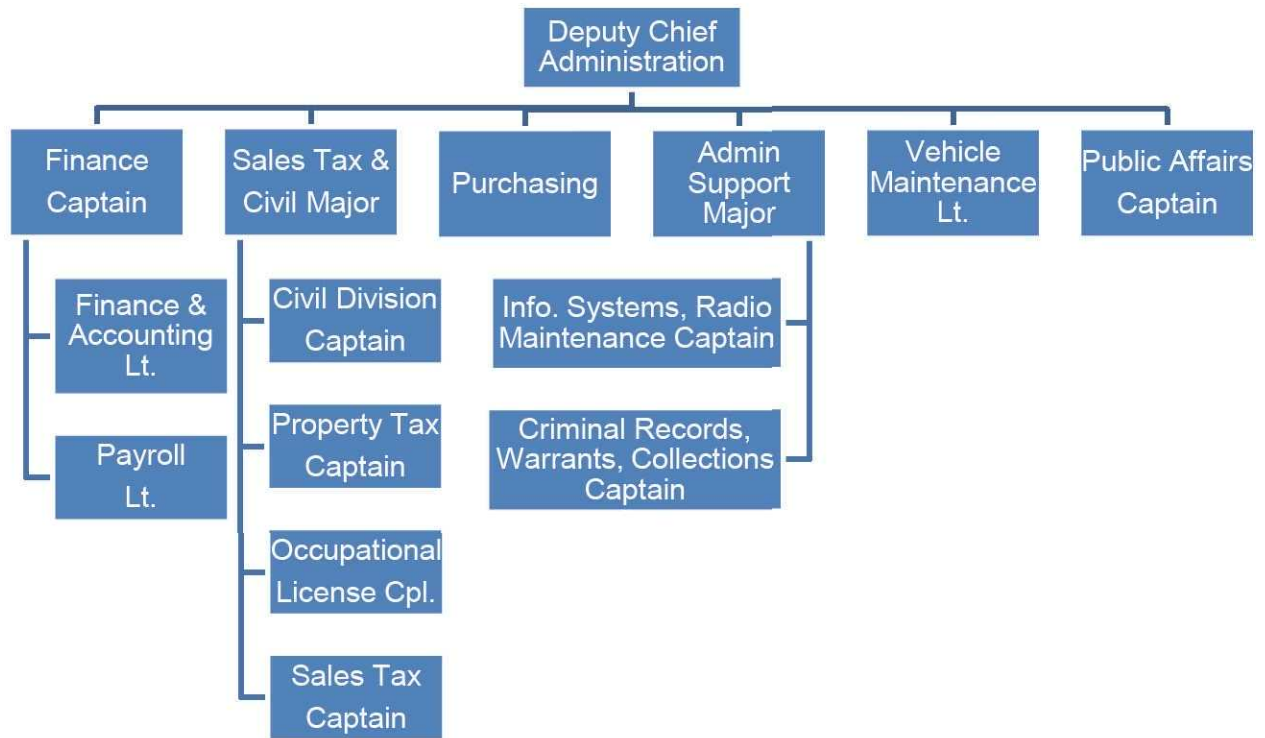
Deputy Chief Joe Jarrell

Deputy Chief Jimmy Richard

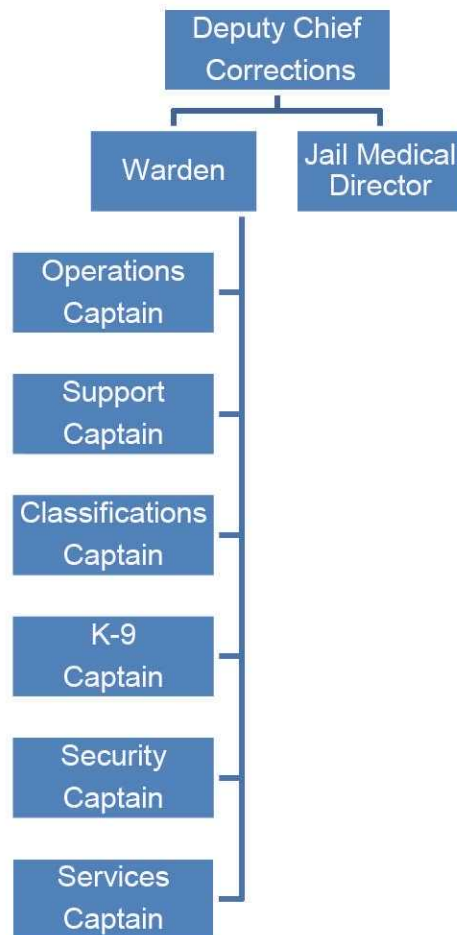
**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Sheriff and Executive Staff**



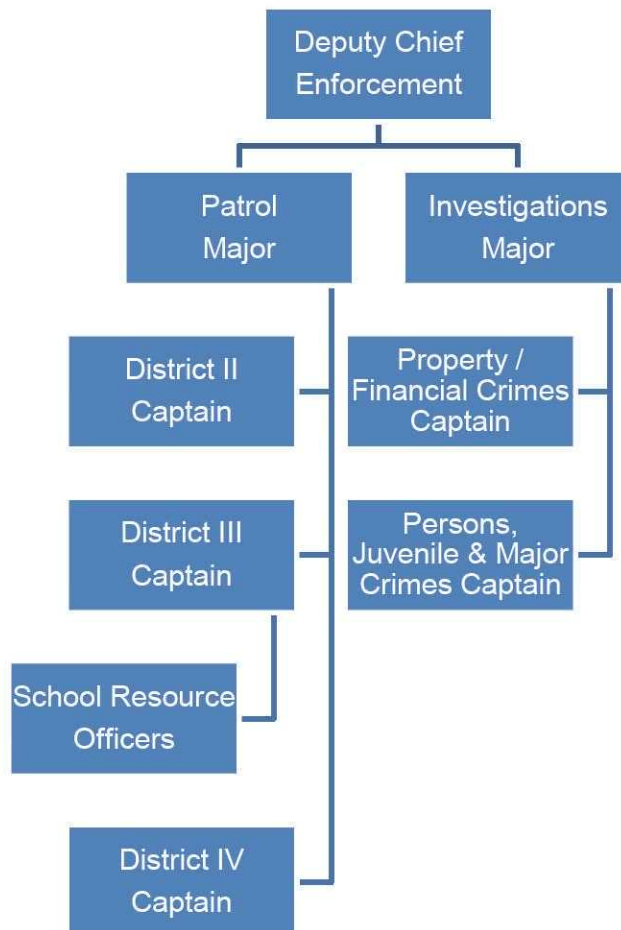
**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Administration**



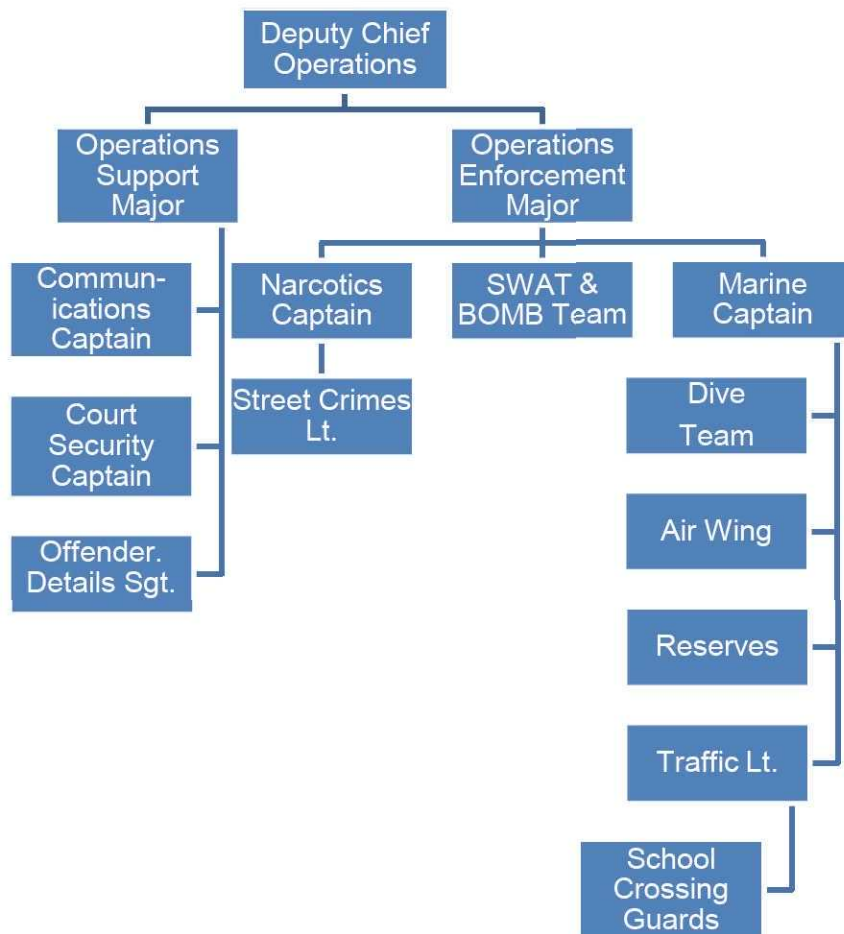
**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Corrections**



**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Enforcement**



**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Operations**



**ST. TAMMANY PARISH SHERIFF
ORGANIZATIONAL CHART
Professional Standards**



Independent Auditor's Report

The Honorable Rodney "Jack" Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish Sheriff (the Sheriff), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table on contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sheriff, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Jail Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress on pages 21 to 32 and page 86, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Tammany Parish Sheriff's basic financial statements. The introductory section, combining and individual non-major fund financial statements, the schedules in the other supplementary information section as listed in the table of contents, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures and federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The accompanying Affidavit is not a required part of the basic financial statements of the Sheriff but is additional information required by the Louisiana Legislative Auditor.

The combining and individual non-major fund financial statements, the schedules in the other supplementary information section as listed in the table of contents, the schedule of expenditures of federal awards, and the Affidavit are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including our comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major financial statements, the schedules in the other supplementary information section as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2013 on our consideration of the St. Tammany Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in cursive script, reading "LaForte".

A Professional Accounting Corporation

Covington, LA
December 10, 2013

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

As management of the St. Tammany Parish Sheriff's office, we offer readers of the Sheriff's financial statements this narrative overview and analysis of the financial activities of the St. Tammany Parish Sheriff's office for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 - 9 of this report.

Financial Highlights

- The assets of the St. Tammany Parish Sheriff's office exceeded its liabilities at the close of the 2013 fiscal year by \$21,172,285 (net position). Of this amount, a deficit of \$3,139,856 represents unrestricted net position.
- The St. Tammany Parish Sheriff's office total net position decreased \$2,435,683 primarily because of an increase in net other postemployment benefits (OPEB) obligation during the current period.
- At the close of the current fiscal year, the St. Tammany Parish Sheriff's office governmental funds reported combined fund balances of \$26,963,275, a decrease of \$203,900 in comparison with the prior year. Approximately 37% of this amount (\$9,905,682) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the governmental funds was \$17,628,802, or approximately 36% of total general fund expenditures.
- The St. Tammany Parish Sheriff's office total outstanding long-term debt showed a net increase of \$2,167,117 during the current fiscal year because of an increase in net other postemployment benefits (OPEB) obligation and a decrease from a scheduled debt payment during the current period.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the St. Tammany Parish Sheriff's office basic financial statements. The St. Tammany Parish Sheriff's office basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the St. Tammany Parish Sheriff's office finances, in a manner similar to a private-sector business.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

The ***statement of net position*** presents financial information on all of the Sheriff's office assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the St. Tammany Parish Sheriff's office is improving or deteriorating.

The ***statement of activities*** presents information showing how the St. Tammany Parish Sheriff's office net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the St. Tammany Parish Sheriff's office that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions. The governmental activities of the St. Tammany Parish Sheriff's office include public safety and interest on long-term debt.

The government-wide financial statements can be found on pages 34 - 35 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The St. Tammany Parish Sheriff's office, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the St. Tammany Parish Sheriff's office can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

The St. Tammany Parish Sheriff's office maintains six individual governmental funds: General Fund, Jail Special Revenue Fund, Capital Projects Fund, Commissary Special Revenue Fund, Crime Lab Special Revenue Fund, and Bond Sinking Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Jail Special Revenue Fund, and Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The St. Tammany Parish Sheriff's office adopts an annual appropriated budget for its General Fund and Jail Special Revenue Fund. A budgetary comparison statement has been provided for the General Fund and Jail Special Revenue Fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 38 - 42 of this report.

Proprietary Funds. The St. Tammany Parish Sheriff's office maintains one proprietary fund, the Internal Service Fund. The Internal Service Fund is used to account for the payment of liability claims and related expenses. Resources to fund the self-insurance plan are recorded as revenues. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise.

The basic proprietary fund financial statements can be found on pages 47 - 49 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The St. Tammany Parish Sheriff's office maintains five different fiduciary funds. Each fund is outlined below.

1. Sheriff's Fund Agency Fund - accounts for funds in connection with civil suits, Sheriff's sales and garnishments. It also accounts for the collections of bonds, probation fines and disbursement of these collections, in accordance with applicable law.
2. Tax Collector Agency Fund - Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as collector of state, parish, and local taxes and fees. The Tax Collector Agency Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies. Examples are ad valorem taxes, redemption fees, sales and use taxes, occupational license renewals, and State Revenue Sharing.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

3. Jail Agency Fund - accounts for individual prisoner account balances. Funds are deposited in the name of the prisoner and payable upon completion of their jail sentence. The Jail Agency Fund also accounts for the collection and disbursement of certain fees charged to inmates upon incarceration.
4. Transitional Work Program Agency Fund - accounts for individual prisoner account balances that are in the Transitional Work Program. Funds are deposited in the name of the prisoner and payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentence. Effective July 1, 2013, the Transitional Work Program was privatized. It is anticipated all funds owed to participants in the program will be transferred by September 1, 2013.
5. Fines and Cost Agency Fund - accounts for the collection and disbursement of fines and costs that are reviewed by the courts, in accordance with applicable law.

The fiduciary fund financial statements can be found on pages 94 - 95 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 54 - 83 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the St. Tammany Parish Sheriff's office progress in funding its obligation to provide OPEB benefits to its employees. Required supplementary information can be found on page 86 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and agency funds are presented immediately following the required supplementary information OPEB, starting on page 89.

Government-Wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the St. Tammany Parish Sheriff's office, assets exceeded liabilities by \$21,172,285, at the close of the most recent fiscal year.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA

Management's Discussion and Analysis

St. Tammany Parish Sheriff's Office Net Position

	Governmental Activities	
	2013	2012
Current Assets	\$33,265,411	\$32,407,104
Capital Assets, Net of Accumulated Depreciation	23,008,946	22,624,441
Total Assets	56,274,357	55,031,545
Current Liabilities	7,943,620	6,417,242
Long-Term Liabilities Outstanding	27,158,452	25,006,335
Total Liabilities	35,102,072	31,423,577
Net Position		
Net Investment in Capital Assets	22,606,051	22,443,444
Restricted for:		
Crime Lab Expenditures	1,694,141	1,451,597
Debt Service	11,949	11,943
Unrestricted	(3,139,856)	(299,016)
Total Net Position	\$21,172,285	\$23,607,968

By far, the largest portion of the St. Tammany Parish Sheriff's office net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, etc.), less any related outstanding debt that was used to acquire those assets. The St. Tammany Parish Sheriff's office uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the St. Tammany Parish Sheriff's office investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the St. Tammany Parish Sheriff's office net position (8%) represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$3,139,856 is unrestricted.

The St. Tammany Parish Sheriff's office overall net position decreased \$2,435,683 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities.

Governmental Activities. During the current fiscal year, net position for governmental activities decreased \$2,435,683 from the prior fiscal year for an ending balance of \$21,172,285. The decrease in the overall net position of governmental activities is the result of the cost of the OPEB plan that will provide health care benefits to current and future retirees during the life of the retiree. See pages 70 - 75 of the notes to the financial statements for more details about this OPEB plan.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

St. Tammany Parish Sheriff's Office Changes in Net Position

	Governmental Activities	
	2013	2012
Program Revenues:		
Charges for Service	\$25,570,788	\$23,931,774
Operating Grants and Contributions	3,937,159	4,430,879
General Revenues		
Taxes		
Ad Valorem Taxes	18,852,429	18,127,726
Sales and Use Taxes	10,239,921	9,627,039
Intergovernmental Revenues		
Transfer from St. Tammany Parish Council	10,239,921	9,628,014
Interest and Investment Earnings	63,973	86,883
Other Revenues	615,720	828,707
Special Item - Loss on Disposal of Assets	(101,588)	-
Total Revenues	69,418,323	66,661,022
Expenses:		
Public Safety	71,352,944	67,896,375
Interest on Long-Term Debt	501,062	413,070
Total Expenses	71,854,006	68,309,445
Change in Net Position	(2,435,683)	(1,648,423)
Net Position, Beginning of Year	23,607,968	25,256,391
Net Position, End of Year	\$21,172,285	\$23,607,968

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA

Management's Discussion and Analysis

	Governmental Activities	
	2013	2012
Program Revenues:		
Charges for Service	\$25,570,788	\$23,931,774
Operating Grants and Contributions	3,937,159	4,430,879
General Revenues		
Taxes		
Ad Valorem Taxes	18,852,429	18,127,726
Sales and Use Taxes	10,239,921	9,627,039
Intergovernmental Revenues		
Due from St. Tammany Parish Council	10,239,921	9,628,014
Interest and Investment Earnings	63,973	86,883
Other Revenues	615,720	828,707
Special Item - Loss on Disposal of Assets	(101,588)	-
Total Revenues	69,418,323	66,661,022
Expenses:		
Public Safety	71,352,944	67,896,375
Interest on Long-Term Debt	501,062	413,070
Total Expenses	71,854,006	68,309,445
Change in Net Position	(2,435,683)	(1,648,423)
Net Position, Beginning of Year	23,607,968	25,256,391
Net Position, End of Year	\$21,172,285	\$23,607,968

Financial Analysis of Governmental Funds

As noted earlier, the St. Tammany Parish Sheriff's office uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the St. Tammany Parish Sheriff's office governmental funds is to provide information on the accumulation and spending of resources that provide the public with day-to-day services. Such information is useful in assessing the St. Tammany Parish Sheriff's office financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or the Sheriff himself.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

At June 30, 2013, The St. Tammany Parish Sheriff's office governmental funds reported combined fund balances of \$26,963,275, a decrease of \$203,900 in comparison with the prior year. Approximately 37% of this amount (\$9,905,682) constitutes unassigned fund balance, which is available for spending at the Sheriff's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$100,733), 2) restricted for particular purposes (\$9,233,740), 3) committed for particular purposes (\$5,334,312), or 4) assigned for particular purposes (\$2,388,808).

The general fund is the chief operating fund of the St. Tammany Parish Sheriff's office. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,905,682, while total fund balance decreased to \$10,002,778. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 20.5 percent of total general fund expenditures, while total fund balance represents approximately 20.7 percent of that same amount.

The fund balance of the St. Tammany Parish Sheriff's Office general fund decreased by \$40,619 during the current fiscal year.

The fund balance of the St. Tammany Parish Sheriff's Office jail special revenue fund decreased by \$74,686 during the current fiscal year.

The capital projects fund, a major fund, had a \$421,455 decrease in fund balance during the current fiscal year which put the overall fund balance at \$12,408,097.

The decrease in fund balance was caused mainly by the spending of resources obtained through the issuance of long-term debt in the prior period on capital acquisition and construction in the current period. That is, the fund balance that resulted from the previous long-term debt issuance was spent down during the current period as the related capital projects progressed.

Proprietary Funds. The Sheriff maintains one proprietary fund, the Internal Service Fund. The Internal Service Fund is used to account for the payment of liability claims and related expenses. Resources to fund the self-insurance plan are recorded as revenues. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise.

Unrestricted net position of the Internal Service Fund at the end of the year was \$1,757,065. The decrease in net position of the Internal Service Fund was \$148,537.

General Fund Budgetary Highlights

Original budget compared to final budget. The current year's revenues warranted amendments to increase the original estimated excess of revenues over expenditures to approximately \$1,400,000. Various factors played a role in the impact to the original budget, including a recent economic upturn for the St. Tammany Parish area.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

Budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Original Budget	Actual Revenues	Difference
Ad Valorem Tax	\$ 17,809,879	\$ 18,852,429	\$ 1,042,550
Sales and Use Tax	9,500,000	10,239,922	739,922
Fees and Commissions	3,300,000	3,816,555	516,555
Civil and Criminal Fees	5,905,000	6,052,466	147,466

The increase in the above revenue sources were realized by the slight recession-recovery being experienced during the current year. Ad valorem taxes were significantly more than estimated because the Tax Roll for 2012 collected in fiscal year 2013 was reflective of re-assessed property taxes. The Tax Roll was released in November 2012, five months following the adoption of the fiscal year 2013 budget.

The recent recession-recovery also impacted the Sales taxes collected with an increase of \$739,921 in estimated revenues. The increase in commercial infrastructures, such as shopping center venues, has continued to impact the Sales and use tax revenue over the past couple of years. Commissions the Sheriff receives coincide with the Sales tax revenues; thus the increase is a direct impact of those revenues being on the upswing. Fees are also reflective of an increase in other revenues.

Criminal and Civil fees are dictated by the court systems and decisions made by the assigned judges. The original budget is projected based upon past year trends; thus the actuals will tend to fluctuate.

Actual total expenses were only slightly higher than the original budget requiring minimal adjustment by year-end. One exception was the Risk Management Claims line item, as it fluctuates based upon claims and settlement costs. Current year insurance expenses included \$1,600,000 to cover claims and expenses for 2013. The current year's expenditure savings was, in part, due to vacancies, in the amounts of approximately \$1,100,000 for Personnel Services and approximately \$165,000 for Payroll Benefits.

The Sheriff is required by law to fund any deficits recognized at year-end. For the current year, the Jail Special Revenue Fund realized a deficit, requiring a transfer from the General Fund of \$317,513 to balance the budget. The Jail Special Revenue Fund's Intergovernmental Revenue from the St. Tammany Parish Council recognized an increase of its original budget in the amount of approximately \$739,000.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

Capital Assets and Debt Administration

Capital assets. The St. Tammany Parish Sheriff's office investment in capital assets for its governmental and business-type activities as of June 30, 2013, amounts to \$23,008,946 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, leasehold improvements, buildings, other equipment, communication equipment, and vehicles. The total increase in capital assets for the current fiscal year was approximately 2%.

St. Tammany Parish Sheriff's Office Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities	
	2013	2012
Construction in Progress	\$ 902,895	\$ 430,544
Land	2,878,144	2,878,144
Leasehold Improvements	180,514	108,500
Buildings	9,527,421	10,530,593
Other Equipment	3,060,367	2,905,724
Communication Equipment	1,322,035	1,695,047
Vehicles	5,137,570	4,075,889
Totals	\$23,008,946	\$22,624,441

Major capital asset events during the current fiscal year included the following:

- Ongoing construction in progress of a new crime lab facility with construction costs of \$472,351 during the current year.
- Various other equipment, mostly computers, was purchased during the current year at a cost of \$868,335.
- The purchase of various vehicles and equipment at a total cost of \$2,591,258.

Additional information on the St. Tammany Parish Sheriff's office capital assets can be found in Note 7 on page 68 of this report.

Long-Term Debt

The Sheriff is not restricted to a debt limit. While the Sheriff tries to avoid issuing long-term debt, long-term financing was needed to ensure the continuation of operations after the devastation caused by Hurricane Katrina and completion and total funding of various capital projects.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

In 2006, the Sheriff borrowed \$9,934,128 (principal) from the Federal Emergency Management Agency (FEMA) through a Federal Community Disaster Loan (CDL) program. The loan was applied for due to the destruction caused by Hurricane Katrina as local governments were struggling to find operating revenues. The CDL was crucial to maintaining effective government operations. The loan and interest were originally due and payable no later than 2015. The total amount of debt remains outstanding, \$9,441,448 as of June 30, 2013, due to the fact the Sheriff is not in a position to make any payments on the debt at this time. New legislation was passed changing original criteria used in calculating forgiveness, including repayment dates. The new legislation states loans not cancelled in full shall be repaid no later than September 30, 2035. As described in Note 23 to the financial statements, the Federal Emergency Management Agency (FEMA) approved the Sheriff's application for full cancellation of the community disaster loan, as well as any interest accrued subsequent to year end.

On August 1, 2011, the Sheriff issued Limited Tax Revenue Bonds, Series 2011, in the amount of \$8,000,000, secured by excess revenue of the Sheriff. The bonds were issued for the purpose of building a new crime lab facility in Slidell, Louisiana, to include making capital improvements, including the acquisition of furnishings and equipment and paying the costs of issuance thereof. Standard & Poor's Public Financing Ratings, a Division of The McGraw-Hill Companies, Inc. has assigned the Series 2011 Bonds a municipal debt rating of "AA" (stable). S&P defines a "AA" rating as having a very strong capacity to meet financial commitments. Additionally, the Bond Sinking Fund accounts for all scheduled bond payments issued related to the Limited Tax Revenue Bonds, Series 2011. These funds are transferred from the General Fund prior to issuing payment

At the end of the current fiscal year, the St. Tammany Parish Sheriff's office had total bonded debt outstanding of \$7,500,000. The remainder of the St. Tammany Parish Sheriff's office long-term obligations comprises a community disaster loan payable and the net OPEB obligation.

St. Tammany Parish Sheriff's Office Outstanding Debt

	Governmental Activities	
	2013	2012
General Obligation Bonds	\$ 7,500,000	\$ 7,770,000
Community Disaster Loan	9,441,448	9,441,448
Net OPEB Obligation	10,502,004	8,064,887
Totals	\$27,443,452	\$25,276,335

The St. Tammany Parish Sheriff's office total debt increased by \$2,167,117, (9 percent) during the current fiscal year. This was the result of a \$2,437,117 increase in net OPEB obligation, netted against a \$270,000 scheduled debt payment during the current year.

Additional information on the St. Tammany Parish's Sheriff's office long-term debt can be found in Note 9 on pages 69 - 70 of this report.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Management's Discussion and Analysis

Economic Factors and Next Year's Budget

The following economic factors currently affect the St. Tammany Parish Sheriff's office and were considered in developing the 2013-2014 fiscal year budget.

- The unemployment rate for St. Tammany Parish at fiscal year 2013 year-end (June 2013) was at 5.2 percent; which remained consistent from the beginning year rate of 5.7 percent.
- Sales tax may experience an increase in future revenues as a result of the completion of the Fremaux Town Center, set to open in March 2014. This commercial complex will continue to provide future revenue as the Sheriff will receive a portion of the sales tax revenue collected.
- The Sheriff is mandated to provide health insurance to full-time employees and qualified retirees. Health insurance premiums will reflect an increase of 4 percent in fiscal 2014. Pension rates will increase from 13.25 percent in fiscal year 2013 to 13.89 percent in fiscal year 2014.
- The St. Tammany Parish Sheriff's office continues to purchase a catastrophic liability insurance policy to protect itself from unforeseen losses in excess of \$1 million. The Sheriff is then responsible for funding any losses before this policy goes into effect.
- St. Tammany Parish's population may exceed 250,000 persons a day, requiring twenty-four hour services for residents and non-residents alike. We anticipate a continual increase in the population of St. Tammany Parish residents. With any increase, aggregate revenues and expenditures will be reflective.
- Departmental budgeted expenditure reductions will be implemented in recognition of any decline in revenues.

Requests for Information

This financial report is designed to provide a general overview of the St. Tammany Parish Sheriff's office finances for all those with an interest in the Sheriff's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 300 Brownswitch, Slidell, LA, 70459.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Net Position
June 30, 2013

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 26,668,163
Investments	617,494
Receivables	5,879,021
Prepaid Expenses	100,733
Capital Assets, Not Being Depreciated	3,781,039
Capital Assets, Net of Accumulated Depreciation	<u>19,227,907</u>
Total Assets	<u>56,274,357</u>
Liabilities	
Accounts Payable	3,364,284
Accrued Liabilities	1,180,787
Compensated Absences	1,239,445
Accrued Interest	1,874,104
Community Disaster Loan Payable	9,441,448
Certificates of Indebtedness Payable	
Due Within One Year	285,000
Due in More Than One Year	7,215,000
Net Other Post-Employment Benefit Obligation	<u>10,502,004</u>
Total Liabilities	<u>35,102,072</u>
Net Position	
Net Investment in Capital Assets	22,606,051
Restricted for:	
Crime Lab Expenditures	1,694,141
Debt Service	11,949
Unrestricted	<u>(3,139,856)</u>
Total Net Position	<u><u>\$ 21,172,285</u></u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2013

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Public Safety	\$ 71,352,944	\$ 25,570,788	\$ 3,937,159	\$ (41,844,997)
Interest on Long-Term Debt	501,062	-	-	(501,062)
Total Governmental Activities	<u>\$ 71,854,006</u>	<u>\$ 25,570,788</u>	<u>\$ 3,937,159</u>	<u>(42,346,059)</u>
General Revenues				
Taxes				
Ad Valorem Taxes				18,852,429
Sales and Use Taxes				10,239,921
Intergovernmental Revenues				
Transfer from St. Tammany Parish Council				10,239,921
Interest and Investment Earnings				63,973
Other Revenues				615,720
Special Item - Loss on Disposal of Assets				<u>(101,588)</u>
Total General Revenues				<u>39,910,376</u>
Change in Net Position				(2,435,683)
Net Position, Beginning of Year				<u>23,607,968</u>
Net Position, End of Year				<u>\$ 21,172,285</u>

The accompanying notes are an integral part of these financial statements.

**FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS**

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Major Fund Descriptions
Governmental Funds
June 30, 2013**

General Fund

The General Fund accounts for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund serves as the Sheriff's primary operating fund. The two major forms of revenue for the fund include Ad Valorem Taxes and Sales and Use Taxes, while the two major forms of expenditures include Personnel Services and Payroll Benefits. From time to time, the General Fund may also record operating transfers out to the Jail Special Revenue Fund, Capital Projects Fund and the Bond Sinking Fund.

Jail Special Revenue Fund

The Jail Special Revenue Fund accounts for the main operations of the St. Tammany Parish Jail. Revenues include a transfer from the St. Tammany Parish Council related to the proceeds of a dedicated ¼ cent sales and use tax approved on April 1, 1998, for the expansion of the existing jail and to fund ongoing operations of the jail. Revenues also include reimbursements from the department of corrections for the keeping of prisoners, and other grants and revenues. The fund also transfers monies to the St. Tammany Parish Council (the Parish Council) for repayment of a bond issue related to construction, maintenance, and ongoing operations of the jail.

Capital Projects Fund

The Sheriff maintains the Capital Projects Fund to account for the construction of new facilities in St. Tammany Parish.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Jail Special Revenue Fund	Capital Projects Fund	Total Non-Major Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 9,643,370	\$ 371,593	\$ 12,408,097	\$ 2,230,235	\$ 24,653,295
Investments	617,494	-	-	-	617,494
Receivables	3,170,587	2,708,434	-	-	5,879,021
Prepaid Expenses	97,096	3,637	-	-	100,733
Total Assets	\$ 13,528,547	\$ 3,083,664	\$ 12,408,097	\$ 2,230,235	\$ 31,250,543
Liabilities					
Accounts Payable	\$ 2,514,191	\$ 523,395	\$ -	\$ 68,895	\$ 3,106,481
Accrued Liabilities	1,011,578	167,824	-	1,385	1,180,787
Total Liabilities	3,525,769	691,219	-	70,280	4,287,268
Fund Balances					
Nonspendable	97,096	3,637	-	-	100,733
Restricted, reported in:					
Capital Projects Fund	-	-	7,527,650	-	7,527,650
Special Revenue Funds	-	-	-	1,694,141	1,694,141
Bond Sinking Fund	-	-	-	11,949	11,949
Committed, reported in:					
Capital Projects Fund	-	-	4,880,447	-	4,880,447
Special Revenue Funds	-	-	-	453,865	453,865
Assigned, reported in:					
Special Revenue Funds	-	2,388,808	-	-	2,388,808
Unassigned	9,905,682	-	-	-	9,905,682
Total Fund Balances	10,002,778	2,392,445	12,408,097	2,159,955	26,963,275
Total Liabilities and Fund Balances	\$ 13,528,547	\$ 3,083,664	\$ 12,408,097	\$ 2,230,235	\$ 31,250,543

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Reconciliation of the Balance Sheet - Governmental Funds
to Government-Wide Statement of Net Position
June 30, 2013

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balances	\$ 26,963,275
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	23,008,946
Internal service funds are used by management to charge liability claims and related expenses to individual funds and are included in governmental activities in the Statement of Net Position.	1,757,065
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated Absences	(1,239,445)
Accrued Interest	(1,874,104)
Community Disaster Loan Payable	(9,441,448)
Certificates of Indebtedness Payable	(7,500,000)
Net Other Post-Employment Benefit Obligation	<u>(10,502,004)</u>
Net Position of Governmental Activities	<u>\$ 21,172,285</u>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013**

	General Fund	Jail Special Revenue Fund	Capital Projects Fund	Total Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Ad Valorem Taxes	\$ 18,852,429	\$ -	\$ -	\$ -	\$ 18,852,429
Sales and Use Taxes	10,239,921	-	-	-	10,239,921
Intergovernmental Revenues					
Transfer from St. Tammany Parish Council	-	10,239,921	-	-	10,239,921
Federal Grants	344,835	37,361	-	-	382,196
Intergovernmental Agreement - 911 District	350,000	-	-	-	350,000
State Revenue Sharing	465,740	-	-	-	465,740
State Supplemental Pay	2,088,958	468,869	-	7,020	2,564,847
Other Intergovernmental Revenues	174,376	-	-	-	174,376
Fees, Charges and Commissions for Services					
Commissions					
Sales and Use Taxes	2,318,373	-	-	-	2,318,373
Other	1,498,182	753,494	-	-	2,251,676
Civil Fees	4,212,164	-	-	-	4,212,164
Criminal Fees	1,840,302	-	-	241,758	2,082,060
Sales to Inmates	-	-	-	803,751	803,751
Keeping of Prisoners	3,035,720	7,631,939	-	-	10,667,659
Tax Research and Other Services	578,322	-	-	-	578,322
Salary Reimbursements	2,572,979	83,804	-	-	2,656,783
Interest Earnings	10,823	-	50,895	792	62,510
Other Revenues	524,628	91,092	-	-	615,720
Total Revenues	49,107,752	19,306,480	50,895	1,053,321	69,518,448
Expenditures					
Public Safety					
Personnel Services	23,518,559	9,726,151	-	65,544	33,310,254
Payroll Benefits	8,483,634	2,989,799	-	17,884	11,491,317
Operating Expenditures	5,034,938	3,784,811	-	359	8,820,108
Professional Fees	3,191,826	372,548	-	-	3,564,374
Materials and Supplies	1,960,781	485,847	-	605,880	3,052,508
Travel and Education	287,672	64,494	-	-	352,166
Insurance	2,458,441	324,289	-	-	2,782,730
Debt Service					
Transfer to St. Tammany Parish Council	-	1,690,881	-	-	1,690,881
Principal	-	-	-	270,000	270,000
Interest	-	-	-	248,206	248,206
Capital Outlays	3,376,801	259,859	472,350	30,794	4,139,804
Total Expenditures	48,312,652	19,698,679	472,350	1,238,667	69,722,348
Excess (Deficiency) of Revenues Over Expenditures	795,100	(392,199)	(421,455)	(185,346)	(203,900)

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenditures,
and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Jail Special Revenue Fund	Capital Projects Fund	Total Non-Major Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses)					
Operating Transfers In	-	317,513	-	518,206	835,719
Operating Transfers Out	(835,719)	-	-	-	(835,719)
Total Other Financing Sources (Uses)	(835,719)	317,513	-	518,206	-
Net Changes in Fund Balances	(40,619)	(74,686)	(421,455)	332,860	(203,900)
Fund Balances, Beginning of Year	10,043,397	2,467,131	12,829,552	1,827,095	27,167,175
Fund Balances, End of Year	\$ 10,002,778	\$ 2,392,445	\$ 12,408,097	\$ 2,159,955	\$ 26,963,275

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds to
the Government-Wide Statement of Activities
For the Year Ended June 30, 2013

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Changes in Fund Balances - Total Governmental Funds	\$ (203,900)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation.	486,093
Losses on the disposal of capital assets reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(101,588)
The issuance of long-term debt (e.g., certificates of indebtedness) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	270,000
The change in compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(47,778)
The change in the net other post-employment benefit obligation reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(2,437,117)
The change in accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(252,856)
Internal service funds are used to charge the costs of liability insurance to individual funds. This amount is the total change in net position in the internal service fund.	<u>(148,537)</u>
Change in Net Position	<u>\$ (2,435,683)</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2013

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Ad Valorem Taxes	\$ 17,809,879	\$ 18,828,967	\$ 18,852,429	\$ 23,462
Sales and Use Taxes	9,500,000	10,100,000	10,239,921	139,921
Intergovernmental Revenues				
Federal Grants	160,350	808,217	344,835	(463,382)
Intergovernmental Agreement - 911 District	350,000	350,000	350,000	-
State Revenue Sharing	470,000	465,740	465,740	-
State Supplemental Pay	2,189,533	2,108,752	2,088,958	(19,794)
Other Intergovernmental Revenues	597,000	84,894	174,376	89,482
Fees, Charges and Commissions for Services				
Commissions				
Sales and Use Taxes	2,100,000	2,315,440	2,318,373	2,933
Other	1,200,000	1,399,912	1,498,182	98,270
Civil Fees	5,000,000	4,271,198	4,212,164	(59,034)
Criminal Fees	905,000	1,828,232	1,840,302	12,070
Keeping of Prisoners	2,724,000	3,049,029	3,035,720	(13,309)
Tax Research and Other Services	382,000	694,590	578,322	(116,268)
Salary Reimbursements	2,486,838	2,585,910	2,572,979	(12,931)
Interest Earnings	20,500	22,692	10,823	(11,869)
Other Revenues	145,000	532,090	524,628	(7,462)
Total Revenues	46,040,100	49,445,663	49,107,752	(337,911)
Expenditures				
Public Safety				
Personnel Services	24,661,896	23,753,091	23,518,559	234,532
Payroll Benefits	8,649,402	8,484,113	8,483,634	479
Operating Expenditures	5,424,286	5,043,586	5,034,938	8,648
Professional Fees	3,032,960	3,212,273	3,191,826	20,447
Materials and Supplies	877,940	2,024,337	1,960,781	63,556
Travel and Education	361,494	285,056	287,672	(2,616)
Insurance	1,488,350	1,408,942	2,458,441	(1,049,499)
Debt Service				
Principal	270,000	270,000	-	270,000
Interest	248,206	248,206	-	248,206
Capital Outlays	1,009,475	3,336,963	3,376,801	(39,838)
Total Expenditures	46,024,009	48,066,567	48,312,652	(246,085)
Excess (Deficiency) of Revenues				
Over Expenditures	16,091	1,379,096	795,100	(583,996)
Other Financing Sources (Uses)				
Operating Transfers Out	-	(925,000)	(835,719)	89,281
Total Other Financing Sources (Uses)	-	(925,000)	(835,719)	89,281
Net Change in Fund Balance	\$ 16,091	\$ 454,096	(40,619)	\$ (494,715)
Fund Balance, Beginning of Year			10,043,397	
Fund Balance, End of Year			\$ 10,002,778	

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Jail Special Revenue Fund
For the Year Ended June 30, 2013**

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental Revenues				
Transfer from St. Tammany Parish Council	\$ 9,500,000	\$ 10,100,000	\$ 10,239,921	\$ 139,921
Federal Grants	-	-	37,361	37,361
State Supplemental Pay	485,896	450,654	468,869	18,215
Other Intergovernmental Revenues	-	-	-	-
Fees, Charges and Commissions for Services				
Other Commissions	598,400	694,137	753,494	59,357
Keeping of Prisoners	7,831,552	7,654,040	7,631,939	(22,101)
Salary Reimbursements	84,000	82,333	83,804	1,471
Other Revenues	69,000	123,755	91,092	(32,663)
Total Revenues	18,568,848	19,104,919	19,306,480	201,561
Expenditures				
Public Safety				
Personnel Services	9,465,825	9,631,625	9,726,151	(94,526)
Payroll Benefits	2,979,377	2,854,968	2,989,799	(134,831)
Operating Expenditures	3,634,472	3,882,173	3,784,811	97,362
Professional Fees	171,263	230,277	372,548	(142,271)
Materials and Supplies	423,700	492,815	485,847	6,968
Travel and Education	88,363	65,314	64,494	820
Insurance	680,000	420,000	324,289	95,711
Debt Service				
Transfer to St. Tammany Parish Council	1,689,658	1,690,880	1,690,881	(1)
Capital Outlays	3,000	260,612	259,859	753
Total Expenditures	19,135,658	19,528,664	19,698,679	(170,015)
Deficiency of Revenues Over Expenditures	(566,810)	(423,745)	(392,199)	31,546
Other Financing Sources (Uses)				
Operating Transfers In	-	425,000	317,513	(107,487)
Total Other Financing Sources (Uses)	-	425,000	317,513	(107,487)
Net Changes in Fund Balance	\$ (566,810)	\$ 1,255	(74,686)	\$ (75,941)
Fund Balance, Beginning of Year			2,467,131	
Fund Balance, End of Year			\$ 2,392,445	

The accompanying notes are an integral part of these financial statements.

**FUND FINANCIAL STATEMENTS
PROPRIETARY FUND**

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Fund Description
Proprietary Fund
June 30, 2013

Internal Service Fund (Risk Management)

The Sheriff's proprietary fund accounts for the payment of liability claims and related expenses. Resources to fund the self-insurance plan are recorded as revenues. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise. Accrued liabilities include provisions for claims reported but not yet paid as of the fiscal year end.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Net Position
Proprietary Fund - Internal Service Fund
June 30, 2013

Current Assets	
Cash and Cash Equivalents	<u>\$ 2,014,868</u>
Total Current Assets	<u>2,014,868</u>
Current Liabilities	
Claims Payable	<u>257,803</u>
Total Current Liabilities	<u>257,803</u>
Net Position	
Unrestricted	<u><u>\$ 1,757,065</u></u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Fund - Internal Service Fund
For the Year Ended June 30, 2013

Operating Revenues	
Fund Premiums	<u>\$ 1,702,764</u>
Total Operating Revenues	<u>1,702,764</u>
Operating Expenses	
Claims and Legal Fees	<u>1,852,764</u>
Total Operating Expenses	<u>1,852,764</u>
Operating Loss	(150,000)
Nonoperating Revenues	
Interest Earned	<u>1,463</u>
Change in Net Position	(148,537)
Net Position, Beginning of Year	<u>1,905,602</u>
Net Position, End of Year	<u><u>\$ 1,757,065</u></u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Cash Flows
Proprietary Fund - Internal Service Fund
For the Year Ended June 30, 2013

Cash Flows from Operating Activities	
Fund Premiums	\$ 1,702,764
Claims and Legal Fees	<u>(2,263,618)</u>
Net Cash Used for Operating Activities	<u>(560,854)</u>
Cash Flows from Investing Activities	
Interest Earned	<u>1,463</u>
Net Cash Provided by Investing Activities	<u>1,463</u>
Net Decrease in Cash and Cash Equivalents	(559,391)
Cash and Cash Equivalents, Beginning of Year	<u>2,574,259</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 2,014,868</u></u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	\$ (150,000)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Change in Claims Payable	<u>(410,854)</u>
Net Cash Used for Operating Activities	<u><u>\$ (560,854)</u></u>

The accompanying notes are an integral part of these financial statements.

**FUND FINANCIAL STATEMENTS
FIDUCIARY FUND**

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Fund Description
Fiduciary Fund
June 30, 2013

Fiduciary Fund

As the Ex-Officio Tax Collector of the Parish of St. Tammany, the Sheriff is responsible for collecting and disbursing ad valorem (property) taxes, parish occupational licenses, state revenue sharing funds, fines and costs, and bond forfeitures imposed by the district court. The Sheriff is also contracted to be the sole tax collector for the collection and distribution of sales and use taxes throughout the Parish. The Sheriff's Fiduciary Fund accounts for the collection and distribution of these funds.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Statement of Net Position
Fiduciary Fund
June 30, 2013

	Agency Funds
<hr/>	
Assets	
Cash and Interest-Bearing Deposits	<u>\$ 24,491,384</u>
Total Assets	<u><u>\$ 24,491,384</u></u>
Liabilities	
Due to Taxing Bodies, Prisoners and Others	<u>\$ 24,491,384</u>
Total Liabilities	<u><u>\$ 24,491,384</u></u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the St. Tammany Parish Sheriff (the Sheriff) serves a four-year term as the Chief Executive Officer of the law enforcement district and Ex-Officio Tax Collector of St. Tammany Parish (the Parish). The Sheriff administers the Parish jail operations and exercises duties required by the Parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera.

As the chief law enforcement officer of the Parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the Parish. The Sheriff provides protection to the residents of the Parish through on-site patrols, investigations, and other law enforcement activities. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the Parish, state, or federal government.

As the Ex-Officio Tax Collector of the Parish, the Sheriff is responsible for collecting and disbursing ad valorem taxes, parish occupational licenses, state revenue sharing funds, fines and costs, and bond forfeitures imposed by the district court. The Sheriff is also contracted to be the sole tax collector for the collection and distribution of sales and use taxes throughout the Parish.

Reporting Entity

For financial reporting purposes, the Sheriff's basic financial statements include all funds that are controlled by the Sheriff as an independently elected Parish official. As an independently elected official, the Sheriff is solely responsible for the operations of his office. Other than certain operating expenditures of the Sheriff that are paid or provided by the St. Tammany Parish Council (the Parish Council) as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a primary government for reporting purposes.

The criteria for including organizations as component units within the Sheriff's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include items such as whether the organization is legally separate, whether the Sheriff appoints a voting majority of the organization's board, whether the Sheriff is able to impose his will on the organization, et cetera.

Based on these criteria, the Sheriff has no component units.

Basis of Presentation

The accompanying basic financial statements of the St. Tammany Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and the internal service fund. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Sheriff. The effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Sheriff reports the following major governmental funds:

- The General Fund is the primary operating fund of the Sheriff. It accounts for all the financial resources except those that are required to be accounted for in other funds.
- The Jail Special Revenue Fund accounts for the operations of the St. Tammany Parish Jail. Revenues include the proceeds of a dedicated ¼ cent sales and use tax approved on January 17, 1998, for the expansion of the existing jail and to fund ongoing operations of the jail. Revenues also include reimbursements from the Louisiana Department of Corrections for the keeping of prisoners, and other grants and revenues. The fund also transfers monies to the St. Tammany Parish Council (the Parish Council) for repayment of a bond issue related to construction, maintenance, and ongoing operations of the jail.
- The Capital Projects Fund accounts for construction of new facilities in St. Tammany Parish.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Additionally, the Sheriff reports the following fund types:

- The Internal Service Fund is a proprietary fund used to account for the payment of liability claims and related expenses. Resources to fund the self-insurance plan are recorded as revenues. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise. Accrued liabilities include provisions for claims reported but not yet paid as of the fiscal year end.
- The Fiduciary Fund is used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the Sheriff's programs. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

During the course of operations, the Sheriff has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus/Basis of Accounting (Continued)

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Modified accrual accounting recognizes revenues when they become measurable and available. Measurable means that the dollar value of the revenue is known. Available means that it is collectible within the current period or soon enough after the end of the current period to pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded generally when the related fund liability is incurred, except for interest and principal payments on general long-term debt, which are recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Ad valorem taxes, sales and use taxes, occupational licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measureable and available only when cash is received by the Sheriff.

The proprietary fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

Annual Budget

The proposed 2012-2013 budgets for the General Fund and the Jail Special Revenue Fund were made available for public inspection at the Sheriff's office on June 14, 2012. A public hearing was held at the Sheriff's office for suggestions and comments from the general public on June 21, 2012. The budget, which includes proposed expenditures and the means of financing them, was published in the official journal prior to the public hearing. The Sheriff legally adopted the proposed budget on the date of the public hearing. The budget was amended on June 13, 2013, and was subsequently published in the official journal. All appropriations lapsed at year-end.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Jail Special Revenue Fund with four exceptions: sales and use taxes and commissions associated with the collection are recognized as revenue in the month they are collected by the Sheriff, not in the month collected by the vendor; expenditures represented by unpaid invoices after the year-end cut-off and which were not encumbered are recognized when paid; encumbrances are recorded as expenditures; and amounts paid under capital leases are budgeted as expenditures.

Other funds do not have appropriated budgets since other means control the use of these resources.

The appropriated budget is prepared by fund, function, and department. Managers are allowed to transfer funds within their department's discretionary spending line items as long as the bottom line is not affected. Transfers of appropriations between departments require the approval of the Chief Financial Officer, Chief Deputy, or the Sheriff, as required. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Deposits must be made in a bank domiciled or having branch offices in the parish where the funds are collected.

Investments are limited by Louisiana Revised Statute. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At June 30, 2013, the Sheriff's investments consisted of U.S. government agency bonds, which are reported at fair value based on published market prices.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

The Sheriff will have the following objectives with regard to investments:

- Safety of invested funds;
- Maintenance of sufficient liquidity to meet cash flow needs;
- Attainment of the maximum yield possible, consistent with the first two objectives.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets are capitalized at historical cost, or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$2,500 or more for capitalizing assets.

Capital assets are recorded as expenditures in the governmental funds, and are recorded as assets in the government-wide Statement of Net Position. All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Leasehold Improvements	5 - 30 Years
Buildings	30 Years
Other Equipment	3 - 5 Years
Communication Equipment	10 Years
Vehicles	3 - 5 Years

Compensated Absences

Employees of the Sheriff earn from 10 to 20 days of vacation leave and 10 to 15 days of sick leave each year, depending on the length of their service. Vacation leave cannot be accumulated and should be used during the year it is earned. An employee may receive an extension of time to use vacation hours by applying to his department head. Extended illness benefits (EIB) can be accumulated up to a maximum of 480 hours. Upon termination, EIB lapses. At June 30, 2013, the Statement of Net Position includes a liability for compensated absences totaling \$1,239,445, which is an increase from the prior year of \$47,778.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Interfund Transactions

Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Sheriff has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Sheriff has no items that qualify for reporting in this category.

Net Position Classifications

In the government-wide and proprietary fund financial statements, equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets** - The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Net Position Classifications (Continued)

- Restricted Net Position - consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation. Restricted for other purposes on the Statement of Net Position consists of grant related cash and workers compensation investments.
- Unrestricted Net Position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

Net Position Flow Assumption

Sometimes the Sheriff will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Sheriff's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Classifications

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Sheriff is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable - This component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
- Restricted - This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the Sheriff to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Balance Classifications (Continued)

- **Committed** - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by the Sheriff. Those committed amounts cannot be used for any other purpose unless the Sheriff removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.
- **Assigned** - This component consists of amounts that are constrained by the Sheriff's intent to be used for specific purposes, but are neither restricted nor committed.
- **Unassigned** - This classification represents amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are available for use it is the Sheriff's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Fund Balance Flow Assumption

Sometimes the Sheriff will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Sheriff's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from fund premiums and claims and legal fees. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

The following statement of the Governmental Accounting Standards Board is effective for the Sheriff's 2013 fiscal year. The Sheriff has adopted and implemented these statements in the preparation of the financial statements for the year ended June 30, 2013.

1. Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*
2. Statement No. 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
3. Statement No. 65 - *Items Previously Reported as Assets and Liabilities*

The following statements of the Governmental Accounting Standards Board will be effective for the Sheriff's 2014 and 2015 fiscal years:

1. Statement No. 67 - *Financial Reporting for Pension Plans* (2014)
2. Statement No. 68 - *Accounting and Financial Reporting for Pensions* (2015)

The Sheriff is currently evaluating the effects that these statements will have in its financial statements for the years ended June 30, 2014 and 2015.

Note 2. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between the net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$486,093 difference are as follows:

Capital Outlays	\$ 4,139,804
Depreciation Expense	<u>(3,653,711)</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Change in Net Position of Governmental Activities	<u>\$ 486,093</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 2. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt (e.g., certificates of indebtedness) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." This amount is the net adjustment to increase Net Changes in Fund Balances - Total Governmental Funds to arrive at Change in Net Position of Governmental Activities:

Principal Repayments on Certificates of Indebtedness Payable	<u>\$ 270,000</u>
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Another element of that reconciliation states that "The change in compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds." The details of this \$47,778 difference are as follows:

Compensated Absences - Prior Year	\$ 1,191,667
Compensated Absences - Current Year	<u>(1,239,445)</u>

Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Change in Net Position of Governmental Activities	<u>\$ (47,778)</u>
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Another element of that reconciliation states that "The change in the net other post-employment benefit obligation reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds." The details of this \$2,437,117 difference are as follows:

Net Other Post-Employment Benefit Obligation - Prior Year	\$ 8,064,887
Net Other Post-Employment Benefit Obligation - Current Year	<u>(10,502,004)</u>

Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Change in Net Position of Governmental Activities	<u>\$ (2,437,117)</u>
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**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 2. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation states that "The change in accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds." The details of this \$252,856 difference are as follows:

Accrued Interest - Prior Year	\$ 1,621,248
Accrued Interest - Current Year	<u>(1,874,104)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Change in Net Position of Governmental Activities	<u>\$ (252,856)</u>

Note 3. Levied Taxes

Ad Valorem taxes for the Sheriff are levied each November 1st on the assessed value listed, as of the prior January 1st for generally all real property, business merchandise and business movable property located in the Parish. Taxes are due and payable by December 31st. Assessed values are established by the St. Tammany Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. An evaluation of all property is required to be completed no less than every four years. The last evaluation was completed for the 2012 tax roll.

The following is a summary of authorized and levied ad valorem taxes for the year:

	Millage	Expiration Date
1998 Law Enforcement District	4.86	2018
Constitutional Law Enforcement District	6.80	N/A

These millages were adopted for the purpose of general law enforcement support.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 4. Cash and Cash Equivalents

At June 30, 2013, the Sheriff had \$51,159,547 (book balance) in interest-bearing demand deposits as follows:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Interest-Bearing Deposits	<u>\$ 26,668,163</u>	<u>\$ 24,491,384</u>	<u>\$51,159,547</u>

These deposits are stated at cost, which approximates market.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Sheriff's deposits may not be returned. As of June 30, 2013, the total bank balance of \$53,680,683 was secured from risk by \$407,365 of FDIC coverage and \$53,273,318 by a pledge of securities owned by the fiscal agent bank. These securities are being held in the name of the pledging fiscal agent bank in a custodial bank that is mutually acceptable to the Sheriff and the fiscal agent bank.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities, plus the federal deposit insurance, must at all times equal the amount on deposit with the fiscal agent. The custodial bank must advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

Note 5. Investments

At June 30, 2013, the Sheriff had investments of \$617,494 in various securities, as follows.

Investment	Maturity	Fair Value
FNMA NTS Step-Up Bond	October 30, 2018	\$ 136,396
FHLB Bond	March 28, 2018	147,637
FHLB Step-Up Call Bond	October 27, 2027	176,854
FHLMC Med Term NTS	February 15, 2030	151,325
Other	None	<u>5,282</u>
Total		<u>\$ 617,494</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 5. Investments (Continued)

The Sheriff does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment	Composite Rating	Percentage
FNMA NTS Step-Up Bond	AA+	22.09%
FHLB Bond	AA+	23.91%
FHLB Step-Up Call Bond	AA+	28.64%
FHLMC Med Term NTS	AA+	24.51%
Other	Varies	0.85%

The Sheriff does not have a formal investment policy regarding interest rate risk and investment credit risk.

The Sheriff has no formal limit on the amount the Sheriff may invest in any one issuer.

Note 6. Receivables

The receivables at June 30, 2013, were as follows:

	General Fund	Jail Special Revenue Fund	Commissary Special Revenue Fund	Governmental Activities Total
Sales and Use Taxes	\$ 1,789,152	\$ -	\$ -	\$ 1,789,152
Ad Valorem Taxes	78,971	-	-	78,971
Due from St. Tammany Parish Council	-	1,789,152	-	1,789,152
Salary Reimbursements	450,423	22,054	-	472,477
Federal Funds	114,138	-	-	114,138
Fees, Charges and Commissions for Services	720,925	894,691	-	1,615,616
Other	16,978	2,537	-	19,515
Total	\$ 3,170,587	\$ 2,708,434	\$ -	\$ 5,879,021

All receivables are considered to be fully collected within one year of the end of the fiscal year. No allowance for doubtful accounts is deemed necessary.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA

Notes to Financial Statements

Note 7. Capital Assets

Capital assets activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated				
Construction in Progress	\$ 430,544	\$ 472,351	\$ -	\$ 902,895
Land	2,878,144	-	-	2,878,144
Total Capital Assets, Not Being Depreciated	3,308,688	472,351	-	3,781,039
Capital Assets, Being Depreciated				
Leasehold Improvements	108,500	79,441	-	187,941
Buildings	12,391,802	125,059	-	12,516,861
Other Equipment	8,329,739	868,335	(69,841)	9,128,233
Communication Equipment	10,490,760	3,360	(68,562)	10,425,558
Vehicles	11,398,685	2,591,258	(299,501)	13,690,442
Total Capital Assets, Being Depreciated	42,719,486	3,667,453	(437,904)	45,949,035
Less Accumulated Depreciation for:				
Leasehold Improvements	-	(7,427)	-	(7,427)
Buildings	(1,861,209)	(1,128,231)	-	(2,989,440)
Other Equipment	(5,424,015)	(710,540)	66,689	(6,067,866)
Communication Equipment	(8,795,713)	(353,196)	45,386	(9,103,523)
Vehicles	(7,322,796)	(1,454,317)	224,241	(8,552,872)
Total Accumulated Depreciation	(23,403,733)	(3,653,711)	336,316	(26,721,128)
Total Capital Assets Being Depreciated, Net	19,315,753	13,742	(101,588)	19,227,907
Governmental Activities - Capital Assets, Net	\$22,624,441	\$ 486,093	\$ (101,588)	\$23,008,946

Depreciation expense of \$3,653,711 was charged to governmental activities - public safety for the year ended June 30, 2013.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 8. Leases

Operating Leases

The Sheriff is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations and, therefore, the results of the lease agreements are not reflected in the Sheriff's Statement of Net Position. Lease payments of \$272,608 were made during the year ended June 30, 2013.

The following is a schedule of future minimum lease payments at June 30th:

2014	\$	282,466
2015		285,651
2016		214,628
2017		212,544
2018		219,889
Thereafter		<u>126,305</u>
Total Future Minimum Lease Payments	\$	<u>1,341,483</u>

Note 9. Long-Term Debt

The following is a summary of long-term debt of the Sheriff for the year ended June 30, 2013:

	Certificate of Indebtedness Series 2011	Community Disaster Loan	Total
Balance at July 1, 2012	\$ 7,770,000	\$ 9,441,448	\$ 17,211,448
Principal Repayments	<u>(270,000)</u>	<u>-</u>	<u>(270,000)</u>
Balance at June 30, 2013	<u>\$ 7,500,000</u>	<u>\$ 9,441,448</u>	<u>\$ 16,941,448</u>

At June 30, 2013, the Sheriff was obligated under the following agreements:

Certificate of Indebtedness Payable	\$ 7,500,000
Community Disaster Loan Payable to the Federal Emergency Management Agency	<u>9,441,448</u>
Total	<u>\$ 16,941,448</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 9. Long-Term Debt (Continued)

On August 1, 2011, the Sheriff issued Limited Tax Revenue Bonds, Series 2011 in the amount of \$8,000,000, maturing on March 1, 2031. The bonds were issued for the purpose of building a new crime lab facility in Slidell, Louisiana, making capital improvements, including the acquisition of furnishings and equipment, and paying the costs of issuance thereof. Principal is payable in annual installments with semi-annual interest payments with variables rates. As of June 30, 2013, the bonds held a variable rate of 2.00%. The long-term debt is secured by excess revenue of the Sheriff.

In 2006, the Sheriff obtained a Community Disaster Loan payable to the Federal Emergency Management Agency, maturing on September 30, 2035 with interest payable at 2.68%. The Sheriff has recognized \$1,874,104 of accrued interest on the Statement of Net Position relating to the Community Disaster Loan.

Total future principal and interest payments under the certificates of indebtedness were as follows:

Year Ending June 30,	Principal	Interest	Total
2014	285,000	242,806	527,806
2015	295,000	237,106	532,106
2016	310,000	231,206	541,206
2017	320,000	225,006	545,006
2018	335,000	215,406	550,406
Thereafter	5,955,000	1,635,200	7,590,200
Total	\$ 7,500,000	\$ 2,786,730	\$ 10,286,730

Standard & Poor's Public Financing Ratings, a Division of The McGraw-Hill Companies, Inc. (S&P) has assigned the Series 2011 Bonds a municipal debt rating of "AA" (stable). S&P defines a "AA" rating as having a very strong capacity to meet financial commitments.

Note 10. Post-Employment Benefits

Plan Description

St. Tammany Parish Sheriff's Office's medical, dental, and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical/dental coverage for the retiree only (not dependents). The retiree pays for life insurance coverage after retirement, but it is a blended rate. Employees are covered by the Louisiana Sheriffs' Pension and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; or, age 55 and 12 years of service.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 10. Post-Employment Benefits (Continued)

Plan Description (Continued)

Life insurance coverage is available to retirees after retirement by election. The retiree "pays" for 100% of the cost of the retiree life insurance, but it is a blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Thus, the implicit employer subsidy is the unblended rate thus determined less the blended rate paid by the retiree. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

It has been assumed that 15% of retirees decline life insurance at time of retirement.

Plan Modification

During fiscal year 2013, the Sheriff modified the health care benefits for retirees who become eligible and covered under the plan on or after September 1, 2012. Eligible retirees electing to continue coverage will be required to pay a certain percentage of their premiums similar to the contribution structure of the Sheriff's pension plan. At 30 years of creditable service, the Sheriff will pay 100% of the premium. Employees who are hired after September 1, 2012 must have 15 years of creditable service with the Sheriff to be eligible for benefits.

Contribution Rates

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy

Until 2008, the St. Tammany Parish Sheriff recognized the cost of providing post-employment medical and life insurance benefits (St. Tammany Parish Sheriff's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and, thus, financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2013 and 2012, St. Tammany Parish Sheriff's portion of health care and life insurance funding costs for retired employees totaled \$878,813 and \$802,182, respectively.

Effective July 1, 2008, St. Tammany Parish Sheriff implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB 45). In 2013 and 2012, the St. Tammany Parish Sheriff's portion of health care and life insurance funding cost for retired employees totaled \$878,813 and \$802,182, respectively. This amount was applied toward the Net OPEB Benefit Obligation as shown in the table on the following page.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 10. Post-Employment Benefits (Continued)

Annual Required Contribution

St. Tammany Parish Sheriff's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2013	2012
Normal Cost	\$ 1,524,157	\$ 1,427,791
30-Year UAAL Amortization Amount	1,935,571	1,719,316
Annual Required Contribution (ARC)	<u>\$ 3,459,728</u>	<u>\$ 3,147,107</u>

Net Post-Employment Benefit Obligation

The table below shows the St. Tammany Parish Sheriff's net other post-employment benefit (OPEB) obligation for fiscal years ended June 30th:

	2013	2012
Beginning Net OPEB Obligation	\$ 8,064,887	\$ 5,823,801
Annual Required Contribution	3,459,728	3,147,107
Interest on Net OPEB Obligation	322,595	232,952
ARC Adjustment	(466,393)	(336,791)
OPEB Cost	3,315,930	3,043,268
Contribution	-	-
Current Year Retiree Premium	(878,813)	(802,182)
Change in Net OPEB Obligation	<u>2,437,117</u>	<u>2,241,086</u>
Ending Net OPEB Obligation	<u>\$ 10,502,004</u>	<u>\$ 8,064,887</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 10. Post-Employment Benefits (Continued)

Net Post-Employment Benefit Obligation (Continued)

The following table shows the St. Tammany Parish Sheriff's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for last year and this year:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
June 30, 2013	\$ 3,315,930	26.50%	\$ 10,502,004
June 30, 2012	\$ 3,043,268	26.36%	\$ 8,064,887

Funded Status and Funding Progress

In 2013 and 2012, the St. Tammany Parish Sheriff made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2012 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at June 30, 2013, was \$34,809,146, which is defined as that portion, as determined by a particular actuarial cost method (St. Tammany Parish Sheriff uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which are not provided by normal cost.

	2013	2012
Actuarial Accrued Liability (AAL)	\$ 34,809,146	\$ 29,730,239
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 34,809,146</u>	<u>\$ 29,730,239</u>
Funded Ratio (AVP/AAL)	0%	0%
Covered Payroll (Active Plan Members)	\$ 31,467,203	\$ 31,789,192
UAAL as a Percentage of Covered Payroll	110.62%	93.52%

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 10. Post-Employment Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by St. Tammany Parish Sheriff and its employee plan members) at the time of the valuation and on the pattern of sharing costs between St. Tammany Parish Sheriff and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between St. Tammany Parish Sheriff and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6 will be used, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate

An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

Post-Employment Benefit Plan Eligibility Requirements

Although employees may retire at age 55 and 12 years of service, historically they have tended to wait until 30 years to retire. To accommodate this historical tendency, we have assumed that actual retirement (and commencement of OPEB benefits) occurs at the earlier of 30 years of service and age 60 and 15 years of service. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate)

GASB 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 10. Post-Employment Benefits (Continued)

Health Care Cost Trend Rate

The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate

The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains a sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are "blended" rates for active and retired before Medicare eligibility, so we have estimated the "unblended" rates for retirees before Medicare as 130% of the blended rate, as required by GASB 45 for valuation purposes.

Inflation Rate

Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above are an implicit inflation assumption of 2.50% annually.

Projected Salary Increases

This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-Retirement Benefit Increases

The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal years:

	2013	2012	2011
OPEB Cost	\$ 3,315,930	\$ 3,043,268	\$ 2,961,791
Contribution	-	-	-
Retiree Premium	878,813	802,181	742,760
Total Contributions and Premium	878,813	802,181	742,760
Change in net OPEB obligations	\$ 2,437,117	\$ 2,241,087	\$ 2,219,031
% of Contribution to Cost	0.00%	0.00%	0.00%
% of Contribution Plus Premium to Cost	26.50%	26.36%	25.08%

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 11. Pension Plan

Substantially all employees of the St. Tammany Parish Sheriff are members of the state individual retirement plan known as the Louisiana Sheriffs' Pension and Relief Fund (the Pension Plan), a multiple-employer defined benefit, cost sharing, public employee retirement plan, administered and controlled by a separate board of trustees.

Plan Description

All sheriffs and deputies who are found to be physically fit, who earn at least \$1,000 and who at the time of original employment were age 18 or older are required to participate in the Pension Plan. Any member, whose first employment making him eligible for membership in the Pension Plan began prior to January 2012, is eligible for normal (regular) retirement if the member has 12 years or more of creditable service and has reached the age of 55. Any member, whose first employment making him eligible for membership in the Pension Plan began on or after January 1, 2012, is eligible for normal retirement when the member reaches the age of 62 and has 12 years or more creditable service. All eligible members will receive a benefit, payable monthly for life, equal to a percentage of their final average salary for each year of credited service. The percentage factor to be used for each year of service is 3.33%. In any case, the retirement benefit cannot exceed 100% of final average salary. Final average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and who do not withdraw their employee contributions may retire at or after age 55 or 62, depending on when they first became eligible, and receive benefits accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 if hired prior to January 1, 2012 or age 60 if after January 1, 2012 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The Pension Plan also provides death and disability benefits. Benefits are established by state statute.

The Pension Plan issues an annual publicly available financial report that includes financial statements and required supplementary information for the Pension Plan. The report may be obtained by writing to the Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

Funding Policy

Pension Plan members are required by state statute to contribute 10% of their annual covered salary and the Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25% of annual covered payroll. The contribution requirements of the Pension Plan members and the Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Sheriff's contributions to the Pension Plan for the years ended June 30, 2013, 2012 and 2011, were \$4,257,301, \$3,943,831, and \$3,715,904, respectively, equal to the required contributions for each year.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 12. Deferred Compensation Plan

Employees of the Sheriff may elect to participate in the Louisiana Public Employees' Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Deferred Compensation Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, P.O. Box 94397, Baton Rouge, Louisiana 70804-9397.

Currently, the Sheriff does not contribute to the deferred compensation plan.

Note 13. Litigation and Contingency

From time to time the, the Sheriff is involved in litigation arising from normal day-to-day operations. In the opinion of the Sheriff's legal counsels, the resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

During the fiscal year ended June 30, 2012, the Office of Inspector General audited grant award funds received from the Federal Emergency Management Agency (FEMA), whereas FEMA disallowed certain expenses submitted for reimbursement. The Sheriff disputed the results of that audit and further review is currently underway. The Sheriff is optimistic that this will result in a reinstatement of the disallowed amounts. The effects of the review on the financial statements are unknown at this time and, therefore, no liability was booked.

Note 14. Changes in Agency Fund Balances

A summary of changes in balances due to taxing bodies, prisoners, and others follows:

	Sheriff's Fund	Tax Collector Fund	Jail Agency Fund	Work Release Fund	Fines and Cost Fund	Total
Balance at June 30, 2012	\$ 3,329,430	\$ 25,239,945	\$ 341,209	\$ 254,142	\$ 519,567	\$ 29,684,293
Additions	14,413,784	464,760,114	730,031	1,402,764	4,853,286	486,159,979
Deductions	(15,285,561)	(468,999,826)	(695,999)	(1,483,847)	(4,887,655)	(491,352,888)
Balance at June 30, 2013	\$ 2,457,653	\$ 21,000,233	\$ 375,241	\$ 173,059	\$ 485,198	\$ 24,491,384

Note 15. Self-Insurance

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff has contracted with various insurers to cover his risk of loss on assets, which he owns, with the exception of motor vehicles for which he retains the risk of loss. The Sheriff has retained a portion of his risks as to general and police professional liability for which he has established an internal service fund to account for and finance his portion of these risks.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 15. Self-Insurance (Continued)

Liability Risk Management

The Sheriff has established a self-insurance fund for his deductible for general liability, police professional liability, practice liability, and automobile liability. The Sheriff participates in insurance contracts for the coverage of general liability, police professional liability, practice liability, and automobile liability and buildings and contents. Limit of coverage is \$3,000,000. The Sheriff self-insures the deductible of \$500,000 per incident for general liability, police professional liability, practice liability, and automobile liability. The Sheriff covers each occurrence up to a maximum of \$1,000,000 aggregate per claim year for all liability insurances. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise. Resources to fund the plan are recorded as revenues. Settlements have not exceeded coverages for each of the past three fiscal years. Insurance coverages have not significantly changed from prior year. Claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claim liabilities include an amount for claims that have been incurred but not paid as of June 30, 2013. These liabilities are recorded at their present value of \$257,803.

Changes in the balances of claim liabilities during fiscal years 2013, 2012 and 2011, are as follows:

	2013	2012	2011
Beginning of Year Liability	\$ 668,657	\$ 133,904	\$ 82,441
Claims and Legal Fees	1,852,764	1,490,189	1,925,622
Payments	(2,263,618)	(955,436)	(1,874,159)
Balance at Fiscal Year End	<u>\$ 257,803</u>	<u>\$ 668,657</u>	<u>\$ 133,904</u>

Note 16. Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others at June 30, 2013, include taxes paid under protest, plus interest earned to date on the investment of these funds, and totals \$178,855.

Note 17. Intergovernmental Agreement

On April 6, 2004, the Parish Council and the Sheriff entered into an intergovernmental agreement whereby the Sheriff has assumed responsibility for operation, maintenance, administrative, medical, and feeding and keeping of prisoners expenditures of the jail. This agreement has been extended through December 31, 2015.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 18. Expenditures of the Sheriff Paid by the Parish Council

The Sheriff occupies two facilities owned by the Parish, the jail and the crime lab building. The cost of maintaining and operating the jail, as required by Louisiana Revised Statute 33:4715, is paid by sales and use taxes, which are collected by the Sheriff. Expenditures related to the crime lab building are paid from the General Fund.

Note 19. Excess of Expenditures Over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations in the General Fund by \$246,085; however, prior year's fund balance was available to fund those expenditures.

For the year ended June 30, 2013, expenditures exceeded appropriations in the Jail Special Revenue Fund by \$170,015; however, the excess of actual revenues over budgeted revenues plus the prior year's fund balance was available to fund those expenditures.

Note 20. Interfund Transactions

Transfers between funds for the year ended June 30, 2013, are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 835,719
Jail Special Revenue Fund	317,513	-
Bond Sinking Fund	518,206	-
Total	\$ 835,719	\$ 835,719

Interfund transfers are used to fund the operating expenses of various funds.

Note 21. Jail Special Revenue Fund Financial Reporting

During the fiscal year ended June 30, 2012, the Sheriff's Office began issuing Jail Financial Reports to the St. Tammany Parish Government on a quarterly basis, per the recommendation of the Louisiana Legislative Auditor's draft report dated December 20, 2010. During the fiscal year ended June 30, 2013, the Sheriff's Office issued quarterly Jail Financial Reports and an annual report.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 22. Ex-Officio Tax Collector

At June 30, 2013, the Tax Collector Fund had cash and interest-bearing deposits on hand totaling \$21,000,233. The Tax Collector Fund had collected ad valorem taxes and had ad valorem taxes uncollected for the year ended June 30, 2013, by taxing body as follows:

Taxing Bodies	Ad Valorem Tax Collected	Ad Valorem Tax Uncollected
Alimony 1	\$ 3,564,374	\$ 175,750
Alimony 2	639,673	34,355
Animal Shelter	1,372,414	69,217
Assessor	4,375,610	220,759
City of Covington	2,464,729	57,724
City of Mandeville	2,641,094	28,712
City of Slidell	6,093,485	451,679
Coroner's Millage	5,458,572	273,819
Council on Aging/STARC	2,728,677	137,702
Drain District #2 Phs. 2	22,728	-
Drain District #5 Gravity	291,769	7,666
Drain District #5 Phs. 1	39,638	7,910
Drainage District #4	116,832	1,152
Drainage Maintenance	2,954,803	149,047
Fire District #1	13,911,388	964,239
Fire District #1 Parcel Fee	1,257,068	16,218
Fire District #11	768,643	55,267
Fire District #12	5,461,328	164,222
Fire District #13	1,875,498	156,540
Fire District #2	2,927,548	106,593
Fire District #3	1,388,136	351,914
Fire District #4	11,596,201	233,015
Fire District #5	732,038	38,338
Fire District #6	401,586	16,783
Fire District #7	754,730	68,460
Fire District #8	1,053,963	82,890
Fire District #9	650,606	58,031

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 22. Ex-Officio Tax Collector (Continued)

Taxing Bodies	Ad Valorem Tax Collected	Ad Valorem Tax Uncollected
Florida Parish Juvenile Ctr.	4,440,720	224,632
Law Enforcement	20,154,885	986,518
Library	8,638,212	435,743
Lighting Dist. #16	65,063	2,084
Lighting District # 6	83,331	1,548
Lighting District #1	165,398	41,924
Lighting District #11	7,070	70
Lighting District #14	14,800	100
Lighting District #15	7,205	333
Lighting District #4	258,678	21,042
Lighting District #5	16,769	298
Lighting District #7	259,371	11,010
LTC Assmnt Fee Other	10,181	-
LTC Assmnt/Public Ser.	10,449	-
Mosquito District #2	7,260,604	369,609
Northshore Harbor Center	2,432,233	169,783
Parish Demolition Costs	74,956	137,184
Public Health	2,954,730	149,090
Recreation Dist. 1 Special	128,730	4,267
Recreation Dist. 6	319,353	12,537
Recreation District #1	4,054,172	81,546
Recreation District #11	403,060	22,612
Recreation District #12	302,002	16,475
Recreation District #14	1,916,937	97,105
Recreation District #2	81,839	7,945
Recreation District #4	321,228	81,413
Recreation District #7	119,389	10,776
Road Lighting District #10	1,550	-
Road Lighting District #9	67,480	341
School Bldg. Repair	5,522,692	278,471
School Construction Tax	6,104,164	307,024
School District #12	33,751,953	1,695,271
School Maint. Operations	7,767,573	390,532

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 22. Ex-Officio Tax Collector (Continued)

Taxing Bodies	Ad Valorem Tax Collected	Ad Valorem Tax Uncollected
School Operation & Maint.	56,952,516	2,869,726
Slidell Hospital District	3,897,086	323,612
Sub-Drainage Dist. 3 of Gravity	59,600	200
Sub-Drainage District #1	81,960	540
Sub-Drainage District #2	121,250	-
TBRLAND Fire Protection	16,650	170
Town of Abita Springs	309,659	12,799
Town of Pearl River	95,203	74,442
Water District #2	115,118	5,392
Total	\$ 244,908,950	\$ 12,772,166

The majority of uncollected taxes consist of adjudications of immovable property and movable (business) taxes.

The total occupational license collections on behalf of other taxing authorities for the year ended June 30, 2013, are as follows:

Taxing Authority	Total Collections	Collection Cost	Final Distribution
St. Tammany Parish Government	\$ 3,511,733	\$ 526,766	\$ 2,984,967

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA**

Notes to Financial Statements

Note 22. Ex-Officio Tax Collector (Continued)

The total sales tax collections on behalf of other taxing authorities for the year ended June 30, 2013, are as follows:

Taxing Authority	Total Collections	Collection Cost	Final Distribution
St. Tammany Parish School Board 1966	\$ 41,366,476	\$ 475,702	\$ 40,890,774
St. Tammany Parish School Board 1977	41,366,566	475,702	40,890,864
Law Enforcement District	10,341,415	118,923	10,222,492
District No. 3	39,648,536	455,955	39,192,581
Motel Tourist Commission	1,432,011	16,468	1,415,543
Recreation District	10,095	206	9,889
St. Tammany Events Center Hotel Occupancy	319,740	4,002	315,738
City of Slidell	18,168,561	225,194	17,943,367
City of Mandeville	13,838,107	159,140	13,678,967
City of Covington	9,141,484	112,991	9,028,493
Town of Pearl River	1,783,362	19,420	1,763,942
Town of Madisonville	829,107	10,110	818,997
Town of Abita Springs	753,103	8,434	744,669
Nord Du Lac	479,782	5,149	474,633
Rooms to Go	47,961	552	47,409
Summit Fremaux	5,628	66	5,562
Village of Folsom	639,414	7,354	632,060
City of Sun	56,629	651	55,978
Jail Expansion	10,341,415	118,923	10,222,492
New Courthouse	10,341,425	118,923	10,222,502
Total	\$ 200,910,817	\$ 2,333,865	\$ 198,576,952

Note 23. Subsequent Events

Subsequent to year end, the Federal Emergency Management Agency (FEMA) approved the Sheriff's application for full cancellation of the community disaster loan, as well as any interest accrued. The carrying value of this debt on June 30, 2013 was \$9,441,448.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFITS

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Schedule of Funding Progress
Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2013	\$ -	\$ 34,809,146	\$ 34,809,146	0%	\$ 31,467,203	110.62%
6/30/2012	-	29,730,239	29,730,239	0%	31,789,192	93.52%
6/30/2011	-	28,586,768	28,586,768	0%	30,077,413	95.04%
6/30/2010	-	23,040,364	23,040,364	0%	29,040,198	79.34%
6/30/2009	-	21,302,112	21,302,112	0%	29,491,038	72.23%

See independent auditor's report.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA

Notes to Required Supplementary Information

Effective July 1, 2008, the Sheriff implemented GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. Refer to the notes of the financial statements for additional information.

See independent auditor's report.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS**

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Fund Descriptions
Non-Major Governmental Funds
June 30, 2013

Commissary Special Revenue Fund

The Commissary Special Revenue Fund accounts for the proceeds of sales of various goods to inmates of the Parish jail. Expenditures of the fund are for purchases of goods and maintenance of the jail.

Crime Lab Special Revenue Fund

The Crime Lab Special Revenue Fund accounts for the proceeds of criminal fees dedicated to the crime lab. Expenditures of the fund are for the operation of the crime lab.

Bond Sinking Fund

The Bond Sinking Fund accounts for all scheduled bond payments issued related to the Series 2011 Certificate of Indebtedness. These funds are transferred from the General Fund, prior to issuing payment.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Commissary Special Revenue Fund	Crime Lab Special Revenue Fund	Bond Sinking Fund	Total Non-Major Governmental Funds
Assets				
Cash	\$ 524,145	\$ 1,694,141	\$ 11,949	\$ 2,230,235
Total Assets	<u>\$ 524,145</u>	<u>\$ 1,694,141</u>	<u>\$ 11,949</u>	<u>\$ 2,230,235</u>
Liabilities				
Accounts Payable	\$ 68,895	\$ -	\$ -	\$ 68,895
Accrued Liabilities	1,385	-	-	1,385
Total Liabilities	<u>70,280</u>	<u>-</u>	<u>-</u>	<u>70,280</u>
Fund Balances				
Restricted, reported in:				
Special Revenue Fund	-	1,694,141	-	1,694,141
Bond Sinking Fund	-	-	11,949	11,949
Committed, reported in:				
Special Revenue Fund	453,865	-	-	453,865
Total Fund Balances	<u>453,865</u>	<u>1,694,141</u>	<u>11,949</u>	<u>2,159,955</u>
Total Liabilities and Fund Balances	<u>\$ 524,145</u>	<u>\$ 1,694,141</u>	<u>\$ 11,949</u>	<u>\$ 2,230,235</u>

See independent auditor's report.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Commissary Special Revenue Fund	Crime Lab Special Revenue Fund	Bond Sinking Fund	Total Non-Major Governmental Funds
Revenues				
Intergovernmental Revenues				
State Supplemental Pay	\$ 7,020	\$ -	\$ -	\$ 7,020
Fees, Charges and Commissions for Services				
Criminal Fees	-	241,758	-	241,758
Sales to Inmates	803,751	-	-	803,751
Interest Earnings	-	786	6	792
Total Revenues	810,771	242,544	6	1,053,321
Expenditures				
Public Safety				
Personnel Services	65,544	-	-	65,544
Payroll Benefits	17,884	-	-	17,884
Operating Expenses	359	-	-	359
Materials and Supplies	605,880	-	-	605,880
Debt Service				
Principal	-	-	270,000	270,000
Interest	-	-	248,206	248,206
Capital Outlays	30,794	-	-	30,794
Total Expenditures	720,461	-	518,206	1,238,667
Excess (Deficiency) of Revenues Over Expenditures	90,310	242,544	(518,200)	(185,346)
Other Financing Sources (Uses)				
Operating Transfers In	-	-	518,206	518,206
Total Other Financing Sources (Uses)	-	-	518,206	518,206
Net Change in Fund Balances	90,310	242,544	6	332,860
Fund Balances, Beginning of Year	363,555	1,451,597	11,943	1,827,095
Fund Balances, End of Year	\$ 453,865	\$ 1,694,141	\$ 11,949	\$ 2,159,955

See independent auditor's report.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
FIDUCIARY FUND - AGENCY FUNDS**

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Fund Descriptions
Fiduciary Fund - Agency Funds
June 30, 2013

Sheriff's Agency Fund

The Sheriff's Agency Fund accounts for funds held in connection with civil suits, Sheriff's sales, and garnishments. It also accounts for the collections of bonds, probation fines, and disbursement of these collections, in accordance with applicable law.

Tax Collector Agency Fund

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and Parish taxes and fees. The Tax Collector Agency Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

Jail Agency Fund

The Jail Agency Fund accounts for individual prisoner account balances. Funds are deposited in the name of the prisoner and payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentence. The Jail Agency Fund also accounts for collection and disbursement of certain fees charged to inmates upon incarceration.

Transitional Work Program Agency Fund

The Transitional Work Program Agency Fund accounts for account balances of individual prisoners who are in the work release program. Funds are deposited in the name of the prisoner and payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentence.

Fines and Cost Agency Fund

The Fines and Cost Agency Fund accounts for the collection and settlement of fines and costs received by the courts, in accordance with applicable law.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Combining Statement of Net Position
Fiduciary Fund - Agency Funds
June 30, 2013

	Agency Funds					
	Sheriff's Fund	Tax Collector Fund	Jail Agency Fund	Transitional Work Program Fund	Fines and Cost Fund	Total
Assets						
Cash and Interest-Bearing						
Deposits - Ad Valorem	\$ -	\$ 6,464,618	\$ -	\$ -	\$ -	\$ 6,464,618
Deposits - Other Taxes	2,457,653	14,535,615	375,241	173,059	485,198	18,026,766
Total Assets	\$ 2,457,653	\$ 21,000,233	\$ 375,241	\$ 173,059	\$ 485,198	\$ 24,491,384
Liabilities						
Due to Taxing Bodies and						
Others	\$ 2,457,653	\$ 21,000,233	\$ 375,241	\$ 173,059	\$ 485,198	\$ 24,491,384
Total Liabilities	\$ 2,457,653	\$ 21,000,233	\$ 375,241	\$ 173,059	\$ 485,198	\$ 24,491,384

See independent auditor's report.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Combining Schedule of Changes in Balances
Due to Taxing Bodies and Others
Fiduciary Fund - Agency Funds
For the Year Ended June 30, 2013

	Agency Funds					Total
	Sheriff's Fund	Tax Collector Fund	Jail Agency Fund	Transitional Work Program Fund	Fines and Cost Fund	
Balances, Beginning of Year	\$ 3,329,430	\$ 25,239,945	\$ 341,209	\$ 254,142	\$ 519,567	\$ 29,684,293
Additions						
Deposits						
Sheriff's Sales	13,972,199	-	-	-	-	13,972,199
Bonds	441,585	-	-	-	-	441,585
Fines and Costs	-	-	-	-	4,853,286	4,853,286
Other Deposits	-	-	729,344	1,402,764	-	2,132,108
Taxes, Fees, etc., Paid to Tax Collector	-	464,748,133	-	-	-	464,748,133
Interest	-	11,981	687	-	-	12,668
Total Additions	14,413,784	464,760,114	730,031	1,402,764	4,853,286	486,159,979
Subtotal	17,743,214	490,000,059	1,071,240	1,656,906	5,372,853	515,844,272
Reductions						
Taxes, Fees, etc., Distributed to Taxing Bodies and Others	-	468,999,826	-	-	-	468,999,826
Deposits Settled to:						
Sheriff's General Fund	3,623,110	-	320,564	859,427	583,277	5,386,378
Clerk of Court	898,358	-	-	-	447,498	1,345,856
Litigants and Appraisers	1,613,061	-	-	-	-	1,613,061
Others	1,766,257	-	51,468	-	548,148	2,365,873
Advertisements	245,496	-	-	-	-	245,496
District Attorney	7,793	-	110,069	-	679,964	797,826
Parish Council	-	-	-	-	1,725,738	1,725,738
Judicial Expense Fund	-	-	128,934	-	214,236	343,170
Indigent Defender Board	-	-	84,964	-	656,361	741,325
Refunds to Individuals	7,131,486	-	-	624,420	32,433	7,788,339
Total Reductions	15,285,561	468,999,826	695,999	1,483,847	4,887,655	491,352,888
Balances, End of Year	\$ 2,457,653	\$ 21,000,233	\$ 375,241	\$ 173,059	\$ 485,198	\$ 24,491,384

See independent auditor's report.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Ad Valorem Tax Affidavit
For the Year Ended June 30, 2013

STATE OF LOUISIANA, PARISH OF ST. TAMMANY

AFFIDAVIT

Rodney "Jack" Strain, Jr., Sheriff of St. Tammany Parish

BEFORE ME, the undersigned authority, personally came and appeared, Rodney "Jack" Strain, Jr., the sheriff of St. Tammany Parish, State of Louisiana, who after being duly sworn, deposed and said:

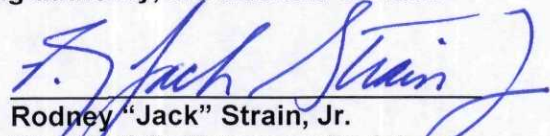
The following information is true and correct:

\$21,000,233 is the amount of cash on hand in the tax collector account on June 30, 2013.


He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2013, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.


Rodney "Jack" Strain, Jr.
Sheriff of St. Tammany Parish

SWORN to and subscribed before me, Notary, this 30th day of December 2013, in my office in Covington, Louisiana.

 (Signature)

Brian F. Trainor (Print), # 28248
Notary Public

Expires at Death (Commission)

STATISTICAL SECTION - UNAUDITED

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Net Position By Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

Table 1

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities										
Net Investment in Capital Assets	\$ 22,606,051	\$ 22,443,444	\$ 22,689,018	\$ 22,385,511	\$ 19,505,833	\$ 13,192,193	\$ 8,068,084	\$ 4,770,793	\$ 2,393,037	\$ 2,574,893
Restricted:										
Crime Lab Expenditures	1,694,141	1,451,597	1,201,268	-	-	-	-	-	-	-
Debt Service	11,949	11,943	-	-	-	-	-	-	-	-
Unrestricted	(3,139,856)	(299,016)	559,113	2,027,473	1,601,908	4,577,564	10,795,776	12,870,903	10,339,912	9,629,313
Total Governmental Activities Net Position	\$ 21,172,285	\$ 23,607,968	\$ 24,449,399	\$ 24,412,984	\$ 21,107,741	\$ 17,769,757	\$ 18,863,860	\$ 17,641,696	\$ 12,732,949	\$ 12,204,206
Total Primary Government Net Position	\$ 21,172,285	\$ 23,607,968	\$ 24,449,399	\$ 24,412,984	\$ 21,107,741	\$ 17,769,757	\$ 18,863,860	\$ 17,641,696	\$ 12,732,949	\$ 12,204,206

NOTE:

This statement has been restated to conform with GASB Statements through number 65. In addition, the 2006 classification of net position has been restated to properly report amounts in Unrestricted that were previously reported as Restricted.

ST. TAMMANY PARISH, LOUISIANA
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses										
Governmental Activities										
Public Safety	\$ 71,352,944	\$ 67,896,375	\$ 65,167,731	\$ 59,749,995	\$ 58,321,813	\$ 55,464,891	\$ 49,444,205	\$ 46,799,862	\$ 41,925,563	\$ 41,205,398
Interest on Long-term Debt	501,062	413,070	225,709	330,571	424,034	350,894	428,269	231,210	132,349	168,905
Total Governmental Activities Expenses	71,854,006	68,309,445	65,393,440	60,080,566	58,745,847	55,815,785	49,872,474	47,031,072	42,057,912	41,374,303
Total Primary Government Expenses	\$ 71,854,006	\$ 68,309,445	\$ 65,393,440	\$ 60,080,566	\$ 58,745,847	\$ 55,815,785	\$ 49,872,474	\$ 47,031,072	\$ 42,057,912	\$ 41,374,303
Program Revenues										
Governmental Activities										
Public Safety										
Charges for Services	\$ 25,570,788	\$ 23,931,774	\$ 22,680,659	\$ 19,016,809	\$ 20,642,906	\$ 12,648,663	\$ 11,473,908	\$ 10,859,084	\$ 11,474,586	\$ 11,137,378
Operating Grants and Contributions	3,937,159	4,430,879	5,568,252	8,222,713	4,113,039	5,864,325	3,761,399	5,412,491	2,997,003	3,157,530
Capital Grants and Contributions	-	-	-	-	141,565	212,952	124,681	124,681	291,931	459,600
Total Governmental Activities Program Revenues	29,507,947	28,362,653	28,228,911	27,239,522	24,897,510	18,725,940	15,359,988	16,396,256	14,763,520	14,754,508
Total Primary Government Program Revenues	\$ 29,507,947	\$ 28,362,653	\$ 28,228,911	\$ 27,239,522	\$ 24,897,510	\$ 18,725,940	\$ 15,359,988	\$ 16,396,256	\$ 14,763,520	\$ 14,754,508
Net (Expense) Revenue										
Governmental Activities	(42,346,059)	(39,946,792)	(37,164,529)	(32,841,044)	(33,848,337)	(37,089,845)	(34,512,486)	(30,634,816)	(27,294,392)	(26,619,795)
Total Primary Government Net (Expense) Revenue	\$ (42,346,059)	\$ (39,946,792)	\$ (37,164,529)	\$ (32,841,044)	\$ (33,848,337)	\$ (37,089,845)	\$ (34,512,486)	\$ (30,634,816)	\$ (27,294,392)	\$ (26,619,795)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Ad Valorem Taxes	\$ 18,852,429	\$ 18,127,726	\$ 17,802,904	\$ 17,540,369	\$ 15,952,173	\$ 12,919,780	\$ 10,066,951	\$ 8,919,555	\$ 9,035,347	\$ 8,324,546
Sales and Use Taxes	10,239,921	9,627,039	9,296,271	8,915,631	19,126,476	20,966,399	22,069,773	22,870,158	16,355,805	15,130,374
Intergovernmental Revenues										
Transfer from St. Tammany Parish Council	10,239,921	9,628,014	9,296,066	8,915,631	-	-	-	-	-	-
Interest and Investment Earnings	63,973	86,883	41,793	75,428	181,295	704,827	1,436,289	1,018,596	278,372	120,471
Miscellaneous										
Other Revenues	615,720	828,707	631,426	699,228	1,773,573	1,222,284	2,065,358	2,580,296	2,153,611	1,886,721
Gain (Loss) on Disposal of Assets	(101,588)	-	(360,196)	-	152,804	182,452	96,279	154,958	-	93,801
Total Governmental Activities General Revenues	39,910,376	38,298,369	36,708,264	36,146,287	37,186,321	35,995,742	35,734,650	35,543,563	27,823,135	25,555,913
Total Primary Government General Revenues	\$ 39,910,376	\$ 38,298,369	\$ 36,708,264	\$ 36,146,287	\$ 37,186,321	\$ 35,995,742	\$ 35,734,650	\$ 35,543,563	\$ 27,823,135	\$ 25,555,913
Extraordinary Items										
Forgiveness of Community Disaster Loan	\$ -	\$ -	\$ 492,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Extraordinary Items	\$ -	\$ -	\$ 492,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Changes in Net Position										
Governmental Activities	(2,435,683)	(1,648,423)	36,415	3,305,243	3,337,984	(1,094,103)	1,222,164	4,908,747	528,743	(1,063,882)
Total Primary Government	\$ (2,435,683)	\$ (1,648,423)	\$ 36,415	\$ 3,305,243	\$ 3,337,984	\$ (1,094,103)	\$ 1,222,164	\$ 4,908,747	\$ 528,743	\$ (1,063,882)

NOTE:

This statement has been restated to conform with GASB Statements through number 65. In addition, amounts for 2008 through 2004 that were previously classified as General Revenues have been restated to conform with the current financial statement presentation as Operating Grants and Contributions.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

Table 3

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund										
Reserved for:										
Inventory and Prepaid Expenses	\$ -	\$ -	\$ -	\$ 11,184	\$ 11,184	\$ 11,184	\$ 11,184	\$ 291,269	\$ 311,782	\$ 192,106
Payment of Community Disaster Loan	-	-	-	-	7,028,008	7,028,008	7,028,008	7,028,008	-	-
Unreserved	-	-	-	9,844,580	1,857,892	870,447	(18,828)	(77,267)	8,426,498	8,475,626
Nonspendable	97,096	181,560	89,815	-	-	-	-	-	-	-
Unassigned	9,905,682	9,861,837	9,942,365	-	-	-	-	-	-	-
Total General Fund	\$ 10,002,778	\$ 10,043,397	\$ 10,032,180	\$ 9,855,764	\$ 8,897,084	\$ 7,909,639	\$ 7,020,364	\$ 7,242,010	\$ 8,738,280	\$ 8,667,732
All Other Governmental Funds										
Reserved for:										
Construction	\$ -	\$ -	\$ -	\$ 1,138,309	\$ 442,272	\$ 4,236,964	\$ 9,897,945	\$ 10,700,000	\$ -	\$ -
Payment of Community Disaster Loan	-	-	-	-	2,906,120	2,906,120	2,906,120	2,906,120	-	-
Unreserved, reported in:										
Special Revenue Funds	-	-	-	4,100,300	622,298	49,570	799,379	1,489,273	2,331,804	1,743,850
Nonspendable	3,637	7,485	2,949	-	-	-	-	-	-	-
Restricted, reported in:										
Capital Projects Fund	7,527,650	7,589,003	-	-	-	-	-	-	-	-
Special Revenue Funds	1,694,141	1,451,597	1,201,268	-	-	-	-	-	-	-
Bond Sinking Fund	11,949	11,943	-	-	-	-	-	-	-	-
Committed, reported in:										
Capital Projects Fund	4,880,447	5,240,549	2,665,572	-	-	-	-	-	-	-
Special Revenue Funds	453,865	363,555	771,612	-	-	-	-	-	-	-
Assigned, reported in:										
Special Revenue Funds	2,388,808	2,459,646	2,476,203	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 16,960,497	\$ 17,123,778	\$ 7,117,604	\$ 5,238,609	\$ 3,970,690	\$ 7,192,654	\$ 13,603,444	\$ 15,095,393	\$ 2,331,804	\$ 1,743,850
Total All Funds	\$ 26,963,275	\$ 27,167,175	\$ 17,149,784	\$ 15,094,373	\$ 12,867,774	\$ 15,102,293	\$ 20,623,808	\$ 22,337,403	\$ 11,070,084	\$ 10,411,582

NOTE 1:

GASB Statement No. 54 was implemented for the fiscal year ended June 30, 2011. Amounts for earlier periods are not available for comparison purposes.

NOTE 2:

For 2011, Prepaid Expenses previously reported as Unassigned have been properly restated as Nonspendable.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

Table 4

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues										
Taxes (See Table 5)	\$ 29,092,350	\$ 27,754,765	\$ 27,099,175	\$ 26,456,000	\$ 35,078,649	\$ 33,886,179	\$ 32,136,724	\$ 31,789,713	\$ 25,391,152	\$ 23,454,920
Intergovernmental Revenues	14,177,080	14,058,893	14,864,318	17,138,344	4,254,604	3,856,961	2,479,157	5,067,846	2,913,177	2,703,344
Fees, Charges, and Commissions for Services	25,570,788	23,931,774	22,660,659	19,016,809	20,642,906	14,868,979	12,669,564	11,370,451	11,850,343	12,051,164
Interest and Investment Earnings	62,510	85,145	36,953	70,379	171,614	704,827	1,362,846	987,403	278,372	120,471
Other Revenues	615,720	828,707	832,003	699,228	1,773,573	1,222,281	2,282,125	2,128,132	2,153,611	1,886,721
Total Revenues	\$ 69,518,448	\$ 66,659,284	\$ 65,493,108	\$ 63,380,760	\$ 61,921,346	\$ 54,539,227	\$ 50,930,416	\$ 51,343,545	\$ 42,586,655	\$ 40,216,620
Expenditures										
Current										
Public Safety	\$ 63,373,457	\$ 60,153,646	\$ 58,188,999	\$ 54,215,620	\$ 55,062,520	\$ 49,851,157	\$ 43,893,388	\$ 43,882,004	\$ 37,132,276	\$ 35,203,450
Intergovernmental										
Transfer to St. Tammany Parish Council	1,690,881	1,531,850	1,522,250	1,513,100	1,511,000	1,471,933	1,486,966	1,537,390	1,547,268	1,560,008
Debt Service										
Principal	270,000	900,000	665,000	1,340,000	8,640,000	1,955,000	1,225,000	715,000	1,045,858	1,310,652
Interest	248,206	158,056	31,679	64,337	163,554	87,634	126,671	150,576	132,349	168,905
Capital Outlay	4,139,804	1,898,341	3,029,769	4,021,104	8,931,595	6,877,470	6,008,265	5,880,342	2,070,402	995,785
Total Expenditures	\$ 69,722,348	\$ 64,641,893	\$ 63,437,697	\$ 61,154,161	\$ 74,308,669	\$ 60,243,194	\$ 52,740,290	\$ 52,165,312	\$ 41,928,153	\$ 39,238,800
Excess (Deficiency) of Revenues Over Expenditures	\$ (203,900)	\$ 2,017,391	\$ 2,055,411	\$ 2,226,599	\$ (12,387,323)	\$ (5,703,967)	\$ (1,809,874)	\$ (821,767)	\$ 658,502	\$ 977,820
Other Financing Sources (Uses)										
Operating Transfers In	\$ 835,719	\$ 3,277,470	\$ 1,980,000	\$ 1,862,080	\$ 1,800,000	\$ 904,315	\$ 100,000	\$ 10,700,000	\$ -	\$ 2,713,492
Operating Transfers Out	(835,719)	(3,277,470)	(1,980,000)	(1,862,080)	(1,800,000)	(904,315)	(100,000)	(10,700,000)	-	(2,713,492)
Bond Proceeds	-	8,000,000	-	-	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	152,804	182,452	96,279	154,958	-	112,339
Other Debt Proceeds	-	-	-	-	10,000,000	-	-	11,934,128	-	-
Total Other Financing Sources (Uses)	\$ -	\$ 8,000,000	\$ -	\$ -	\$ 10,152,804	\$ 182,452	\$ 96,279	\$ 12,089,086	\$ -	\$ 112,339
Net Change in Fund Balances	\$ (203,900)	\$ 10,017,391	\$ 2,055,411	\$ 2,226,599	\$ (2,234,519)	\$ (5,521,515)	\$ (1,713,595)	\$ 11,267,319	\$ 658,502	\$ 1,090,159
Fund Balances										
Beginning of Year	27,167,175	17,149,784	15,094,373	12,867,774	15,102,293	20,623,808	22,337,403	11,070,084	10,411,582	9,321,423
End of Year	\$ 26,963,275	\$ 27,167,175	\$ 17,149,784	\$ 15,094,373	\$ 12,867,774	\$ 15,102,293	\$ 20,623,808	\$ 22,337,403	\$ 11,070,084	\$ 10,411,582
Debt Service as a Percentage of Noncapital Expenditures	0.79%	1.69%	1.15%	2.46%	13.47%	3.83%	2.89%	1.87%	2.96%	3.87%

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Tax Revenues By Source - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

Table 5

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Tax Revenues by Source										
Taxes										
Ad Valorem Taxes	\$ 18,852,429	\$ 18,127,726	\$ 17,802,904	\$ 17,540,369	\$ 15,952,173	\$ 12,919,780	\$ 10,066,951	\$ 8,919,555	\$ 9,035,347	\$ 8,324,546
Sales and Use Taxes	10,239,921	9,627,039	9,296,271	8,915,631	19,126,476	20,966,399	22,069,773	22,870,158	16,355,805	15,130,374
Total Tax Revenues	<u>\$ 29,092,350</u>	<u>\$ 27,754,765</u>	<u>\$ 27,099,175</u>	<u>\$ 26,456,000</u>	<u>\$ 35,078,649</u>	<u>\$ 33,886,179</u>	<u>\$ 32,136,724</u>	<u>\$ 31,789,713</u>	<u>\$ 25,391,152</u>	<u>\$ 23,454,920</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Table 6

(Unaudited)

Fiscal Year	Real Estate Assessed Value	Commercial and Other Property Assessed Value	Total Assessed Value	Less: Homestead Exemption Value	Total Taxable Assessed Value	Total Estimated Actual Value	Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
2013	\$ 1,525,724,378	\$ 644,823,218	\$ 2,170,547,596	\$ 499,788,758	\$ 1,670,758,838	\$ 19,556,065,233	11.66	11.10%
2012	1,481,091,078	596,195,410	2,077,286,488	496,593,299	1,580,693,189	18,785,546,847	11.73	11.06%
2011	1,483,378,855	588,578,634	2,071,957,489	498,218,082	1,573,739,407	18,757,646,110	11.73	11.05%
2010	1,418,336,365	552,132,297	1,970,468,662	498,976,767	1,471,491,895	17,864,245,630	11.73	11.03%
2009	1,430,237,736	530,052,013	1,960,289,749	498,406,661	1,461,883,088	17,836,057,447	11.73	10.99%
2008	1,244,467,016	285,489,975	1,529,956,991	437,214,926	1,092,742,065	14,347,936,660	12.10	10.66%
2007	1,131,583,881	261,141,810	1,392,725,691	419,982,161	972,743,530	13,056,784,210	10.72	10.67%
2006	1,039,413,980	249,263,960	1,288,677,940	403,524,465	885,153,475	12,055,899,533	10.72	10.69%
2005	1,051,282,371	239,661,039	1,290,943,410	421,714,159	869,229,251	12,110,563,970	10.72	10.66%
2004	825,090,372	224,343,887	1,049,434,259	387,199,479	662,234,780	9,746,529,633	12.94	10.77%

NOTE:

Total assessed value is based on the following percentages of estimated actual value.

Residential Property	10%
Commercial and Other Property	15%

SOURCE:

St. Tammany Parish Assessor's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Principal Property Taxpayers
Current Year and Nine Years Ago**

Table 7

(Unaudited)

		For the Fiscal Year Ended					
		June 30, 2013			June 30, 2004		
Taxpayer	Type of Business	Taxable Assessed Valuation	Rank	Percentage of Total Parish Taxable Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Parish Taxable Assessed Valuation
Central La. Electric, Co.	Utility	\$ 41,975,190	1	2.51%	\$ 31,481,190	1	4.75%
AT&T Southeast	Telephone	17,041,870	2	1.02%			
Chevron USA Inc.	Oil	10,600,950	3	0.63%			
Capital One Bank	Bank	10,504,970	4	0.63%			
Atmos Energy Louisiana	Utility	7,278,350	5	0.44%	4,655,970	8	0.70%
Wash.-St. Tammany Elec. Coop	Utility	7,130,370	6	0.43%	4,777,930	7	0.72%
J P Morgan Chase Bank	Bank	5,778,312	7	0.35%			
Louisiana Heart Hospital, LLC	Healthcare	5,754,158	8	0.34%			
Verizon Wireless	Telephone	5,640,170	9	0.34%			
Southern Natural Gas	Gas	5,309,880	10	0.32%			
Bellsouth Telecommunications	Telephone				20,420,290	2	3.08%
Hibernia National Bank	Bank				11,568,730	3	1.75%
McKesson Corp.	Healthcare				8,018,060	4	1.21%
Bank One Management Corp.	Bank				7,979,490	5	1.20%
Charter Communications	Utility				5,151,040	6	0.78%
Parish National Bank	Bank				4,485,930	9	0.68%
Tri-States NGL Pipeline, Inc.	Utility				3,874,200	10	0.59%
		<u>\$ 117,014,220</u>		<u>7.01%</u>	<u>\$ 102,412,830</u>		<u>15.46%</u>

SOURCE:

St. Tammany Parish Assessor's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Table 8

(Rate per \$1,000 of Assessed Value, Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
St. Tammany Parish Sheriff's Direct Rates:										
Law Enforcement	11.66	11.73	11.73	11.73	11.73	12.10	10.72	10.72	10.72	12.94
Overlapping Governments' Rates:										
Parish Government	19.43	19.54	19.54	19.54	19.54	23.05	23.05	19.74	15.74	19.05
School District	68.18	68.45	68.45	68.45	69.45	77.84	77.84	77.84	74.59	87.10
Other Parish-Wide	9.96	10.20	10.45	10.45	10.45	11.76	11.21	11.21	11.21	12.91
Cities, Towns and Villages	94.64	99.10	99.90	100.98	102.05	111.03	109.24	105.98	108.53	117.54
Fire Districts	352.66	354.68	353.31	374.92	379.62	383.87	368.88	362.70	350.69	383.87
Lighting Districts	18.44	18.58	18.58	18.58	18.58	20.75	20.75	18.34	20.00	25.84
Recreational Districts	70.83	66.13	74.90	73.00	76.40	74.57	75.07	72.48	69.92	86.97
Other Districts	20.00	20.00	19.15	19.48	19.48	21.00	23.00	21.05	19.50	16.00

SOURCE:
St. Tammany Parish Assessor's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 9

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Tax Levy	\$ 19,480,929	\$ 18,541,477	\$ 18,459,922	\$ 17,260,581	\$ 17,147,802	\$ 13,221,962	\$ 10,427,656	\$ 9,470,892	\$ 9,318,112	\$ 8,570,035
Current Tax Collections	\$ 18,569,039	\$ 18,024,948	\$ 17,709,879	*	\$ 15,900,039	\$ 12,831,838	\$ 10,049,920	\$ 8,813,695	\$ 8,970,294	\$ 8,258,458
Percent of Levy Collected	95%	97%	96%	*	93%	97%	96%	93%	96%	96%
Collections for Prior Years	\$ 283,390	\$ 102,778	\$ 93,025	*	\$ 52,134	\$ 87,942	\$ 17,031	\$ 105,860	\$ 65,053	\$ 66,088
Total Collections	\$ 18,852,429	\$ 18,127,726	\$ 17,802,904	\$ 17,540,369	\$ 15,952,173	\$ 12,919,780	\$ 10,066,951	\$ 8,919,555	\$ 9,035,347	\$ 8,324,546
Ratio of Total Collections to Tax Levy	97%	98%	96%	102%	93%	98%	97%	94%	97%	97%

NOTE:

* Tax Collections for fiscal year ended June 30, 2010 totaled \$17,540,369. The allocation of current and prior year tax collections is not available.

SOURCE:

Total Tax Levy, St. Tammany Parish Assessor's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Principal Sales Taxpayers
For the Year Fiscal Ended June 30, 2013**

Table 10

(Unaudited)

LAW ENFORCEMENT DISTRICT

TYPE OF BUSINESS	PERCENTAGE OF TOTAL	TOTAL
Motor Vehicles	12.08%	
Grocery / Discount Retailer	3.14%	
Grocery / Discount Retailer	2.19%	
Grocery / Discount Retailer	1.83%	
Grocery / Discount Retailer	1.54%	
Building Materials	1.27%	
Grocery / Discount Retailer	1.26%	
Grocery / Discount Retailer	1.11%	
Building Materials	0.97%	
Grocery / Discount Retailer	0.68%	
Total - 10 Largest Taxpayers	26.07%	\$ 2,669,286
Total - All Other Taxpayers	73.93%	\$ 7,570,635
Total - All Taxpayers	100.00%	\$ 10,239,921

NOTE:

Principal Sales Taxpayers for fiscal year ended June 30, 2004 are not available.

SOURCE:

St. Tammany Parish Sheriff's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

Table 11

(Unaudited)

0

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
St. Tammany Parish Sheriff's Direct Rates:										
Law Enforcement District	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Overlapping Parish-Wide Rates:										
State of Louisiana	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
St. Tammany Parish School Board	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
St. Tammany Parish Jail	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
St. Tammany Parish Court House	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
City, Town, Village and Other Jurisdiction Rates:										
Sales Tax District No. 3 (unincorporated St. Tammany)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Slidell	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Covington	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Mandeville	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Pearl River	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.00%	2.00%	2.00%
Madisonville	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Abita Springs	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Folsom	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Sun	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Nord Du Lac Economic Development District	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	-	-	-	-
Rooms To Go Economic Development District	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	-	-	-	-
Summit Fremaux Economic Development District	0.50%	1.00%	1.00%	1.00%	1.00%	1.00%	-	-	-	-

SOURCE:

St. Tammany Parish Sheriff's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Table 12

(Unaudited)

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita	Percentage of Estimated Actual Value of Property
	Limited Tax Revenue Bonds	Certificates of Indebtedness	Community Disaster Loan				
2013	\$ 7,500,000	\$ -	\$ 9,441,448	\$ 16,941,448	*	71	0.09%
2012	7,770,000	-	9,441,448	17,211,448	0.15%	73	0.09%
2011	-	670,000	9,441,448	10,111,448	0.09%	43	0.05%
2010	-	1,335,000	9,934,128	11,269,128	0.11%	49	0.06%
2009	-	2,675,000	9,934,128	12,609,128	0.12%	55	0.07%
2008	-	1,315,000	9,934,128	11,249,128	0.11%	50	0.08%
2007	-	3,270,000	9,934,128	13,204,128	0.15%	59	0.10%
2006	-	4,495,000	9,934,128	14,429,128	0.18%	66	0.12%
2005	-	3,210,000	-	3,210,000	0.04%	15	0.03%
2004	-	3,820,000	-	3,820,000	0.06%	19	0.04%

NOTE:

Details regarding the St. Tammany Parish Sheriff's outstanding debt can be found in the notes to the financial statements.

SOURCES:

See Table 6 for Estimated Actual Value of Property.

See Table 14 for Demographic Statistics.

* Information not available.

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2013

Table 13

(Unaudited)

Governmental Unit		Debt Outstanding	Percentage Applicable	Share of Overlapping Debt
Direct Debt:				
St. Tammany Parish Sheriff		\$ 16,941,448	100%	\$ 16,941,448
Overlapping Debt To Be Repaid with Property Taxes:				
City of Covington	*	5,827,000	100%	5,827,000
City of Slidell	***	12,108,378	100%	12,108,378
City of Mandeville	**	250,000	100%	250,000
Fire Protection District No. 1	*	491,000	100%	491,000
Fire Protection District No. 2	*	2,222,000	100%	2,222,000
Fire Protection District No. 3	*	217,000	100%	217,000
Fire Protection District No. 7	*	384,000	100%	384,000
Fire Protection District No. 8	*	185,000	100%	185,000
Fire Protection District No. 9	*	61,000	100%	61,000
Fire Protection District No. 11	*	115,000	100%	115,000
Fire Protection District No. 12	*	1,500,000	100%	1,500,000
Fire Protection District No. 13	*	505,000	100%	505,000
Gravity Drainage District No. 5	****	1,495,000	100%	1,495,000
Northshore Harbor Center	*	5,970,000	100%	5,970,000
Recreation District No. 1	*	13,345,000	100%	13,345,000
Recreation District No. 2	*	195,000	100%	195,000
Recreation District No. 6	*	1,770,000	100%	1,770,000
Recreation District No. 11	*	1,011,000	100%	1,011,000
Recreation District No. 12	*	385,000	100%	385,000
Recreation District No. 14	*	9,490,000	100%	9,490,000
Sub-drainage District No. 1 of 3	*	180,000	100%	180,000
Sub-drainage District No. 2 of GDD No. 5	*	144,000	100%	144,000
Sub-drainage District No. 3 of GDD No. 5	*	162,000	100%	162,000
St. Tammany Parish Government	*	14,335,000	100%	14,335,000
St. Tammany Parish School Board	***	226,210,000	100%	226,210,000
St. Tammany Parish Hospital Service District No. 2	*	56,210,000	100%	56,210,000
Town of Abita Springs	*	1,160,000	100%	1,160,000
Water District No. 2	*	745,000	100%	745,000
		<u>\$ 356,672,378</u>		<u>\$ 356,672,378</u>
Other Debt:				
City of Covington	*	4,345,900	100%	4,345,900
City of Slidell	***	6,775,312	100%	6,775,312
City of Mandeville	**	3,185,000	100%	3,185,000
Fire Protection District No. 4	*	1,120,465	100%	1,120,465
Fire Protection District No. 8	*	83,593	100%	83,593
Fire Protection District No. 11	*	75,861	100%	75,861
Fire Protection District No. 12	*	513,375	100%	513,375
Sewerage District No. 4	*	265,000	100%	265,000
St. Tammany Parish Government	*	95,578,196	100%	95,578,196
St. Tammany Parish School Board	***	70,099,350	100%	70,099,350
St. Tammany Parish Hospital Service District No. 1	*	76,730,000	100%	76,730,000
St. Tammany Parish Hospital Service District No. 2	*	31,460,713	100%	31,460,713
Town of Abita Springs	*	94,000	100%	94,000
Water District No. 2	*	223,000	100%	223,000
		<u>\$ 290,549,765</u>		<u>\$ 290,549,765</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2013**

Table 13 (Continued)

(Unaudited)

Governmental Unit		Debt Outstanding	Percentage Applicable	Share of Overlapping Debt
Capital Leases/Notes Payable:				
City of Slidell	***	321,043	100%	321,043
Fire Protection District No. 1	*	55,180	100%	55,180
Fire Protection District No. 5	*	250,479	100%	250,479
Fire Protection District No. 11	*	454,870	100%	454,870
Fire Protection District No. 13	*	456,133	100%	456,133
		<u>\$ 1,537,705</u>		<u>\$ 1,537,705</u>
Total Overlapping Debt				<u>\$ 648,759,848</u>
Total Direct and Overlapping Debt				<u>\$ 665,701,296</u>

NOTE 1

The Debt Outstanding Balance represents the amount reported as of June 30, 2013 or on the most current financial statements as indicated below:

* as of 12/31/12

** as of 8/31/12

*** as of 6/30/12

**** as of 12/31/11

NOTE 2:

Overlapping governments are those that coincide at least in part, with the geographic boundaries of the Parish. This disclosure recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government. The percentage overlap is calculated by dividing the amount of the revenue base from which the debt will be repaid contained within the overlapping area by the total revenue base of the overlapping government.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Demographic Statistics
Last Ten Fiscal Years**

Table14

(Unaudited)

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2013	239,453	\$ *	\$ *	5.2%
2012	236,785	11,249,118,000	47,508	5.7%
2011	234,591	10,750,781,000	45,828	5.7%
2010	231,224	10,211,671,000	44,164	5.3%
2009	229,252	10,468,242,000	45,663	3.6%
2008	226,294	10,095,235,000	44,611	2.9%
2007	223,133	8,742,177,000	39,179	3.6%
2006	217,358	7,884,243,000	36,273	7.5%
2005	211,405	7,240,763,000	34,251	4.0%
2004	205,708	6,747,319,000	32,800	4.7%

SOURCES:

Population, Personal Income, and Per Capita Personal Income: Bureau of Economic Analysis
Unemployment Rate: Bureau of Labor Statistics

* Information is not available.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Principal Employers
Current Year and Nine Years Ago**

Table15

(Unaudited)

Employer	For the Fiscal Year Ended					
	June 30, 2013			June 30, 2004		
	Employees	Rank	Percentage of Total St. Tammany Parish Employment	Employees	Rank	Percentage of Total St. Tammany Parish Employment
St. Tammany Parish School Board	5,349	1	5.03%	6,982	1	7.26%
St. Tammany Parish Hospital	1,480	2	1.39%	1,312	2	1.36%
Slidell Memorial Hospital	1,180	3	1.11%	806	4	0.84%
Ochsner Health System	912	4	0.86%			
Lakeview Regional Medical Center	783	5	0.74%	715	5	0.74%
St. Tammany Parish Sheriff's Office	759	6	0.71%	596	7	0.62%
St. Tammany Parish Government	697	7	0.66%	487	8	0.51%
Southeast Louisiana Hospital	592	8	0.56%	621	6	0.65%
Textron Marine & Land Systems	533	9	0.50%			
City of Slidell	384	10	0.36%	366	9	0.38%
Northshore Regional Medical Center				812	3	0.84%
Gilsbar Inc.				349	10	0.36%
Total - 10 Largest Employers	12,669		11.92%	13,046		13.56%
Total - All Employers	106,324			96,228		

SOURCES:

2013 10 Largest Employers: Book of Lists 2012-2013, New Orleans City Business; St. Tammany Sheriff's Office; St. Tammany Parish Government

2004 10 Largest Employers: Book of Lists 2002-2003, New Orleans City Business; St. Tammany Sheriff's Office; St. Tammany Parish Government

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Full-Time Equivalent Employees by Function
Last Ten Fiscal Years**

Table16

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund										
Administrative:										
Administration	6	6	7	7	6	7	10	9	7	7
Accounting	18	18	19	18	18	16	15	14	11	11
Human Resources	9	9	9	9	9	8	8	8	8	8
Information Systems	13	13	13	13	13	13	12	12	10	11
Criminal Records & Collections	18	17	17	17	18	16	15	15	14	13
Property Tax	9	9	9	9	9	9	8	8	7	7
Occupational License	4	4	4	4	4	3	5	3	3	2
Purchasing	2	2	2	2	3	2	2	2	2	3
Public Affairs	4	4	4	4	3	3	3	3	3	0
Civil	21	21	21	21	20	17	17	17	15	14
Internal Affairs	3	3	3	2	2	2	2	2	3	2
Sales Tax	13	13	13	12	12	12	11	11	11	11
Building Maintenance	3	3	0	0	0	0	0	0	0	0
Transitional Work Program	18	18	17	18	16	14	14	14	14	13
Radio Maintenance	5	5	5	3	3	3	3	3	3	2
Vehicle Maintenance	7	7	6	7	7	7	6	6	4	4
Enforcement:										
Community Relations	0	0	0	0	0	0	0	0	0	12
Court Security	46	45	46	45	45	43	43	43	42	33
Communications-911	40	40	40	36	36	36	36	36	35	27
Criminal Patrol District II	59	60	60	62	62	58	64	64	62	64
Criminal Patrol District III	50	50	50	49	49	54	60	55	52	56
Criminal Patrol District IV	31	30	31	27	27	27	26	24	19	16
Warrants	0	0	0	0	0	0	0	0	0	6
Criminal Investigations	25	25	25	29	26	30	24	24	22	18
Domestic Violence Unit	0	0	0	0	0	0	5	5	5	4
Crime Laboratory	21	21	21	21	21	21	19	19	14	11
Juvenile	0	0	0	0	0	0	0	0	0	8
Criminal Investigations	27	26	27	21	24	26	21	21	20	16
Operations:										
Training Center	12	12	12	13	12	12	12	8	7	5
Search & Rescue	16	16	16	15	14	14	16	16	14	17
Traffic	13	13	13	13	13	13	0	0	0	0
School Crossing Guards	23	23	23	21	18	18	19	19	19	1
Street Crimes	7	7	7	7	7	7	6	6	0	0
Narcotics	20	20	20	19	19	19	19	19	13	11
Total General Fund	543	540	540	524	516	510	501	486	439	413
Jail Fund										
Corrections:										
Jail Facility	177	177	177	169	190	196	197	196	197	166
Jail Medical	28	27	27	27	27	27	26	26	26	17
K-9 Unit	9	9	9	9	8	8	8	4	0	0
Total Jail Fund	214	213	213	205	225	231	231	226	223	183
Commissary Fund										
Commissary	2	2	2	2	2	2	1	1	1	0
Total Commissary Fund	2	2	2	2	2	2	1	1	1	0
Total	759	755	755	731	743	743	733	713	663	596

SOURCE:
St. Tammany Parish Sheriff's Office

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Operating Indicators
Last Ten Fiscal Years**

Table17

(Unaudited)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Population - Total	239,453	236,785	234,591	231,224	229,252	226,294	223,133	217,358	211,405	205,708
Calls for Service	279,330	274,036	271,683	288,700	323,943	299,245	*	*	*	*
Response to Calls for Service	148,522	148,360	158,301	165,241	161,993	169,935	154,210	153,664	149,900	149,674
Assigned Cases	22,567	23,267	24,396	25,294	24,772	26,978	26,788	23,338	21,689	15,414
Traffic Tickets Issued	6,007	7,858	11,209	12,951	14,661	9,219	10,051	8,993	8,875	8,389
Average Response Time (In Minutes)	3:36	3:37	**	**	3:40	3:44	6:04	5:13	**	**
Crime Statistics:										
Murders	4	5	7	5	4	8	8	15	3	7
Rapes	6	21	19	28	37	40	36	30	26	35
Assaults	892	1,105	1,164	1,356	1,606	1,528	1,353	1,295	1,484	1,466
Total Persons Crimes	902	1,131	1,190	1,389	1,647	1,576	1,397	1,340	1,513	1,508
Robberies	15	24	24	17	27	34	25	30	56	30
Burglary	601	654	555	583	719	868	691	851	672	780
Theft	1,663	1,772	1,665	1,630	1,813	1,948	1,715	1,845	2,021	1,947
Vehicle Theft	158	155	148	145	189	267	303	274	219	291
Arson	14	10	12	10	23	19	24	23	16	27
Total Property Crimes	2,451	2,615	2,404	2,385	2,771	3,136	2,758	3,023	2,984	3,075
Total	3,353	3,746	3,594	3,774	4,418	4,712	4,155	4,363	4,497	4,583
Estimated Value of Property Stolen	\$ 3,281,155	\$ 3,080,039	\$ 3,788,694	\$ 3,163,869	\$ 3,040,179	\$ 3,790,747	\$ 4,674,019	\$ 6,139,157	\$ 3,487,569	\$ 5,338,563
Estimated Value of Property Recover	\$ 459,175	\$ 215,988	\$ 483,323	\$ 257,556	\$ 299,242	\$ 329,143	\$ 485,656	\$ 843,293	\$ 1,056,613	\$ 1,373,579
Crime Rate per 1,000 Residents	14.00	15.82	15.32	16.32	19.27	20.82	18.62	20.07	21.27	22.28

NOTE:

* Calls for Service for fiscal years ended June 30, 2003 through 2007 are not available.

** Average Response Times for certain fiscal years are not available.

SOURCES:

St. Tammany Parish Sheriff's Office

See Table 14 for Demographic Statistics.

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Capital Assets by Function
Fiscal Year Ended June 30, 2013 and 2012**

Table18

(Unaudited)

	Land	Leasehold Improvements	Buildings	Communication Equipment	Other Equipment	Vehicles	Construction in Progress	2013	2012
Public Safety									
Administrative:									
Administration	1	-	1	-	9	5	1	17	17
Accounting	2	-	1	-	7	1	-	11	11
Human Resources	-	-	-	-	2	1	-	3	3
Information Systems	-	-	-	1	122	6	-	129	113
Criminal Records & Collections	-	-	-	-	2	1	-	3	3
Property Tax	-	-	-	-	-	1	-	1	1
Occupational License	-	-	-	-	1	-	-	1	1
Purchasing	-	-	-	-	-	1	-	1	1
Public Affairs	-	-	-	-	6	2	-	8	7
Civil	-	-	-	-	1	13	-	14	14
Internal Affairs	-	-	-	-	-	4	-	4	4
Sales Tax	-	-	-	-	1	5	-	6	6
Building Maintenance	-	1	1	1	11	4	-	18	11
Transitional Work Program	-	-	1	-	12	6	-	19	14
Radio Maintenance	-	-	-	165	23	1	-	189	199
Vehicle Maintenance	-	-	1	-	29	65	-	95	86
	3	1	5	167	226	116	1	519	491
Enforcement:									
Court Security	-	-	-	-	-	6	-	6	6
Communications-911	-	-	-	2	1	1	-	4	4
Criminal Patrol District II	-	-	-	-	28	76	-	104	82
Criminal Patrol District III	-	-	1	-	6	65	-	72	52
Criminal Patrol District IV	-	-	-	-	3	42	-	45	28
Criminal Investigations	-	-	1	-	5	25	1	32	32
Crime Laboratory	-	-	-	1	87	13	2	103	100
Criminal Investigations	-	-	-	-	-	26	-	26	26
	-	-	2	3	130	254	3	392	330
Operations:									
Training Center	-	-	-	-	375	12	-	387	378
Search & Rescue	-	-	-	1	58	93	-	152	133
Traffic	-	-	-	1	15	38	-	54	40
SWAT Team	-	-	-	-	8	-	-	8	6
School Crossing Guards	-	-	-	-	-	1	-	1	1
Street Crimes	-	-	-	-	2	9	-	11	10
Narcotics	-	-	-	6	47	23	-	76	69
	-	-	-	8	505	176	-	689	637
Corrections	1	4	-	1	112	63	-	181	157
Total - 2013	4	5	7	179	973	609	4	1,781	1,615
Total - 2012	4	3	6	188	884	527	3	1,615	

NOTE 1:
Capital Assets by Function were compiled beginning in fiscal year ended June 30, 2012.

NOTE 2:
The administrative division includes the radio maintenance and vehicle maintenance departments. Radio maintenance includes communication equipment that supports the enforcement and operations divisions. Vehicle maintenance includes assets that are shared by various divisions and those vehicles that are being held for auction.

SOURCE:
St. Tammany Parish Sheriff's Office

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

The Honorable Rodney "Jack" Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Tammany Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated December 10, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the Sheriff's internal control on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
December 10, 2013

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Independent Auditor's Report

The Honorable Rodney "Jack" Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the St. Tammany Parish Sheriff's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the St. Tammany Parish Sheriff's major federal programs for the year ended June 30, 2013. The St. Tammany Parish Sheriff's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of St. Tammany Parish Sheriff's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about St. Tammany Parish Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of St. Tammany Parish Sheriff's compliance.

Opinion on Each Major Federal Program

In our opinion, the St. Tammany Parish Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the St. Tammany Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the St. Tammany Parish Sheriff's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the St. Tammany Parish Sheriff's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



A Professional Accounting Corporation

Covington, LA
December 10, 2013

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013**

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Expenditures
United States Department of Justice		
Passed through the Louisiana Commission on Law Enforcement		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	\$ 56,183
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	11,593
Equitable Sharing Program	16.922	179,811
Recovery Act - Edward Byrne Memorial Justice Assistant Grant	16.804	21,835
Total United States Department of Justice		<u>269,422</u>
United States Department of Transportation		
Passed through the State of Louisiana		
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	148,355
Total United States Department of Transportation		<u>148,355</u>
United States Department of Homeland Security		
Passed through the Federal Emergency Management Agency		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.063	454,222
Total United States Department of Homeland Security		<u>454,222</u>
United States Drug Enforcement Administration		
Overtime Payments	N/A	98,633
Total United States Drug Enforcement Administration		<u>98,633</u>
Total		<u>\$ 970,632</u>

Notes to the Schedule of Expenditures of Federal Awards

- A. The Schedule of Expenditures of Federal Awards was prepared on the accrual basis of accounting.
- B. The following is a reconciliation of total federal grant expenditures to the federal grant revenues reported on page 40 of the financial statements:

Total Federal Expenditures	\$ 970,632
Asset Forfeiture Expenditures for which no Revenue was Received in the Current Year	(179,811)
Disaster Grants Expenditures for which no Revenue was Received in the Current Year	(454,222)
Revenues Related to Expenditures in Prior Years	45,597
Total	<u>\$ 382,196</u>

**ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013**

Summary of Audit Results

Financial Statements

- | | |
|---|------------|
| 1. Type of auditor's report | Unmodified |
| 2. Compliance and internal control over financial reporting | |
| a. Material weaknesses identified | None |
| b. Significant deficiencies identified not considered to be material weaknesses | None |
| c. Noncompliance noted | None |

Federal Awards

- | | |
|--|------------|
| 3. Internal control over major programs | |
| a. Material weaknesses identified | None |
| b. Significant deficiencies identified not considered to be material weaknesses | None |
| 4. Type of auditor's report issued on compliance for major programs | Unmodified |
| 5. Audit findings disclosed that are required in accordance with OMB A-133, Section 510a | None |
| 6. Identification of major programs | |
| 97.063 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | |
| 7. Dollar threshold used to distinguish between Type A and B programs | \$300,000 |
| 8. Auditee qualified as a low-risk auditee under OMB A-133, Section 530 | Yes |

ST. TAMMANY PARISH SHERIFF
ST. TAMMANY PARISH, LOUISIANA
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2013

Financial Statement Findings

None

Federal Awards Findings and Questioned Costs

None